The British Theatre Economics and Management in the 1990s as an Effect of Thatcherite Capitalism

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Summary

This thesis will examine theatrical changes which were taken place in Britain in the 1990s as an influence of Thatcherite capitalism. There are two bases in developing that subject. The first is that arts subsidy, namely, money, has been more responsible for the changes than directors and playwrights have. The second is that the changes were basically undesirable, because they resulted in the dominance of capitalist values in theatre, under which theatre companies inevitably compete with each other, and are, thereby, increasingly inclined towards safe, popular, commercial products. By contrast, alternative oppositional activities that can play a role in checking and balancing the dominant capitalist cultural values becoming marginalised. It can be, thus, said that this thesis will critically explore the undesirable legacy of Thatcherism on the theatre economics and management of the 1990s.

To this end, it will examine several sub-subjects. Chapter I deals with the British politics and economics of the 1980s and 1990s as background for the changes which also took place in theatre during the 1980s and 1990s. Chapter II will explore the two different attitudes of the Arts Council which has been in charge of distributing money [arts subsidy] to theatre companies since its formation in 1946; one prior to Thatcher's government and the other during Thatcher's government of the 1980s. Chapter III will examine the general theatrical economics and management of the 1990s. Chapter IV will deal with money from the national lottery in order to see how much it has contributed to theatre companies in terms of theatre economy. Chapter V
is a case study to illustrate how the West Yorkshire Playhouse as one of the leading regional theatre companies has been managerially affected by post-Thatcherite theatre economy. Chapter VI is another case study to illustrate how Red Ladder as one of the leading political theatre companies in the 1970s has been deradicalised by Thatcherite capitalism in the 1980s and post-Thatcherite theatre economy of the 1990s.

This thesis, with its critical tone on the changes, will illustrate, implicitly or explicitly, ways by which the undesirable state of the British theatre in the 1990s may be rescued. At the same time, I hope this thesis to serve as a ground for debates for the betterment of the British theatre in the future.
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Introduction

This study will examine theatre management and economics in the wake of Thatcher’s government. The main reason for my choosing this subject comes from my belief that Thatcherite capitalism had a deleterious effect on the theatre management, economics and production of the 1990s by pushing the theatre back into the commercial market. Dominated by the market ethic, the serious theatre, which although superficially flourishing, by its nature, may be unattractive to the general public, has inevitably been brought to an unhealthy state in which theatre companies compete with each other, and increasingly are inclined towards safe, popular, commercial products. As a result, alternative oppositional activities that can play a role in checking and balancing the dominant culture are becoming increasingly marginalised. Many books and articles have been published concerning the unhealthy theatrical climate since Thatcher’s government, such as John McGrath’s *The Bone Won’t Break* (1990), Baz Kershaw’s *The Politics of Performance* (1992), Nadine Holdsworth’s *Good Night Out: Activating the Audience with 7:84 (England)* (1997), D. Keith Peacock’s *Thatcher’s Theatre* (1999), and Sir Peter Hall’s *The Necessary Theatre* (1999). This study will take a similarly critical tone to those above, but will explore the unhealthy climate from a different perspective. The books of John McGrath and D. Keith Peacock deal with theatre under Thatcher’s government in the 1980s. Baz Kershaw’s book deals with the performance efficacy of alternative and community theatre covering the post-war period up to the end of the 1980s. The main focus of this study is on theatre in the 1990s. Nadine Holdsworth’s article deals with theatre in the 1990s, but only briefly deals with the state of political theatre. Sir Peter
Hall's book deals with the critical state of theatre in the late 1990s, but is a personal account from his own experience in the institutional theatre, and focuses on the problem of arts subsidy. What makes this study different from those above is that it will explore, perhaps, for the first time, the critical state of the British theatre in the 1990s in a broad perspective encompassing such issues as political Thatcherism and its impact on Labour Party, cultural and economic Thatcherism and its impact on the Arts Council, ideological Thatcherism and its impact on political theatre, and Thatcherism's impact on theatre economics and management in the 1990s.

Logically, the starting point of this study is the investigation of what changes Thatcher's government accomplished in the 1980s. This is due to the fact that the 1980s marked a most significant stage for social, political, economic and cultural change in British post-war history. Generally speaking, post-war political, economic and cultural politics prior to Thatcher's government was based on consensus - a tacit agreement between the two political parties; Conservative and Labour. After the war, people in Britain optimistically chose the Labour Party in the hope that it would restructure war-damaged Britain in a socially progressive manner. In response to their expectations, the Labour government introduced policies associated with socialism such as a certain amount of public ownership through nationalisation. Prior to Thatcher's government, Conservative governments accorded with the so-called Keynesian social democratic policies adopted by the post-war labour government, believing that such policies were socially necessary.

However, under Thatcher's government of the 1980s, consensus disappeared. Margaret Thatcher regarded consensus as "the bleak and dismal past". She believed that from consensus came, what she called, "the English disease" – "creeping
socialism”. Under Thatcher’s government the post-war past was to be rejected, and it forced progressive values, movements and organisations associated with the progressive age of consensus – miners’ strikes, metropolitan councils, state ownership, and dependent culture - into submission or retrenchment. It replaced them with Thatcherite capitalism, namely – monetarism, market economy, belt-tightening expenditure policy, individual ownership, and enterprise culture.

Chapter I will examine Thatcherism as a new order, in terms of the emergence of the New Right, its attack on socialist values, its ultimate aim of an enterprise culture, and will evaluate social/economic consequences of Thatcherism. It will also explore Thatcherism’s influence on John Major’s government, and the influence of Thatcherite popular capitalism on Labour’s “desocialising” process from Neil Kinnock (1983-1992) to Tony Blair (1994 -). In doing so, this chapter will serve one purpose – to illustrate Thatcherism as a driving force of change in the British theatre during the 1980s and 1990s.

Thatcherite capitalism made an enormous impact on the arts and theatre world. The climate of this world in the 1980s was starkly different from that in the 1970s. This change in the climate was primarily effectively made by the Arts Council whose strings were being pulled by Thatcher’s government. Chapter II will explore the change which took place in the 1980s by comparing the two differing attitudes of the Arts Council - one prior to Thatcher’s government and the other after it.

The main reason for the exploration of the two different attitudes in the Arts Council between that during and that preceding the 1980s is my belief that the
economics of the Arts Council rather than playwrights and directors has been responsible for bringing changes in theatre in terms of production style, programming, and theatre worker’s mentality. In other words, I believe that the changes taking place across the theatre world in the 1980s were directly related to the matter of arts subsidy, namely, money. This chapter will serve a base for the exploration of the main subject of this study - theatre management and economics in the 1990s – in subsequent chapters. Thus, due to its importance, it is necessary to examine the Council’s pre-Thatcherite attitudes.

The performing arts in Britain were not systematically integrated into public policy until 1946 when the Arts Council of Great Britain (ACGB) was formally established. The Council grew from its wartime predecessor, the Council for the Encouragement of Music and the Arts (CEMA) whose aim was to sustain with informal government support the performing arts going under wartime constraints, so as to keep up public morale by organising music and drama tours throughout the country. By the end of the war, members of the CEMA were being appointed by the Minister for Education and their activities were supported by central government funding. Recognising the necessity for the arts funding, the incoming Labour government determined to continue it by reconstituting the CEMA as the Arts Council of Great Britain. In this sense, the emergence of the ACGB can be seen as related to the social structure based on a welfare system after the war. If the National Health Service was in charge of free-of-charge medical service for the public, the Arts Council, as a sympathetic funding body for the arts, was in charge of the arts for the quality of people’s life in the 35 years following the war.
In its first Royal Charter (1946), the ACGB briefly outlined its objects; “for the purpose of developing a greater knowledge, understanding and practice of the fine arts exclusively, and in particular to increase the accessibility of the fine arts to the public, to improve the standard of execution of the fine arts”. It also outlined a prime task in achieving those objectives – to persuade funding bodies, either central or local, to devote proper resources to the arts by making them understand the significance of those objective. It wrote; the ACGB “advise and co-operate with Our Government Departments, local authorities and other bodies on any matters concerned directly or indirectly with those objects [mentioned above], and with a view to facilitating the holding of and dealing with any money provided by Parliament and any other property, real or personal, otherwise available for those objects, it is expedient that ... the Arts Council of Great Britain should be created ... with powers and subjects to the provisions hereinafter contained”.

Initially, the Arts Council was a small organisation with a comparatively small government grant to distribute - £350,000 in 1956/47. However, as the British economy was rebuilt and social expectations - demand for the arts and artists - grew, the financial demands rose accordingly. During the 1950s and early 1960s, the annual grant-in-aid to the Council was increased steadily from £675,000 in 1950/51 to £1,210,000 in 1959/60.

However, the real increase in arts subsidy came with Harold Wilson’s Labour government in the mid-1960s. Under Wilson’s government arts policy was more sharply defined. The policy was contained in the Arts Minister, Jennie Lee’s white paper. *A Policy for the Arts – The First Steps*, which aimed to make the arts prevail in
“everyday life”. Accordingly, the Arts Council, with its second Royal Charter, redefined its objectives more broadly by replacing “the fine arts” with, simply, “the arts”, and more specifically with an intention “to develop and improve the knowledge, understanding and practice of the arts, and to increase the accessibility of the arts to the public throughout Great Britain”.2

The Council’s general view on the arts at this time was that art was to do with aesthetic and spiritual values. Thus, the Council felt that the arts needed protection from market forces under which spiritual and aesthetic aspects are pushed into the second place by the market ethic. In its annual report and accounts in 1967, which contained a new Charter, this is clearly indicated;

As a matter of economic theory it might be argued that the livelihood of artists ought to be provided by the people who enjoy their work. In practice it never has been: and the action of successive Governments in this country, in setting up the Arts Council and empowering local authorities to subsidize the arts from the rates, recognize the absolute necessity, in modern times, of public patronage.3

The Council managed to maintain this view of the arts throughout the 1970s. For instance, Sir Roy Shaw, Secretary General of the Council from 1975 to 1982, asserted the view again by approvingly quoting Iris Murdoch’s claim that art is “a training in the love of virtue”.4 Naturally, to secure “the livelihood of artists”, which in turn enabled them to pursue aesthetic and spiritual values, arts subsidy had been rapidly increased in the late 1960s and the 1970s, from £3.2m in 1964/65 to £51.8m in 1978/79. The Council also held a liberal view on the arts. This was seen by the fact that it was willing to support political theatre companies which, in Sir Roy Shaw’s
view, "consistently bite the hand that feeds them". For instance, the political theatre company, Red Ladder which I shall examine later, received sustained increasing subsidy between 1975 to 1980; £18,950 (1975/76), £30,000 (1976/77), £37,500 (1977/78), £43,457 (1978/79), and £48,470 (1979/80).

However, under Thatcher’s government, the Arts Council was no longer as benevolent and sympathetic as it used to be. Her government embarked on the transformation of the Council into a more business-like organisation in an attempt to make it correspond to a new market-dominant order. Its Secretary-General, writing in its annual report in 1984/85, exemplifies how the Arts Council differently conceived a view of the arts in the mid-1980s, which was very different from that of the 1960s and 1970s. Luke Rittner regarded the arts basically as an “industry”; “What do I see today from my privileged view of the arts? ... I see ... a developing commercial support, better box office and export market that is the envy of the world”. He also indicated the restraint in arts subsidy exercised by Thatcher’s government by saying that; “However, this small but highly successful part of Great Britain Inc. is once again under threat through lack of investment”. A detail of the changed nature of the Arts Council in the 1980s will be explored later.

This study will give attention to the fact that one particular feature of the Council’s charter promoted a type of theatre that, in the Council’s view, was vital to the public’s cultural and spiritual welfare. Although the arts at this time was not as diversified as nowadays, the feature has been evident from its formation to the end of the 1990s – its support of institution. The metropolitan “centres of excellence”, the national companies in opera, dance and theatre have been the main beneficiaries of the
Council. In its second Charter, the Council placed this as its “second major concern” next to “artists”;

A second major concern of the Council is the well-being of the great national institutions which embody the achievements of the nation’s artistic efforts in the best attainable conditions, and form as it were an international show-case. It is, simply, essential that the capital city of a civilized country should have fine theatres. The international reputation of the Royal Opera House, the Royal Ballet, the National Theatre, and the Royal Shakespeare Theatre must be sustained for this reason, and the Arts Council is glad and proud to have the main responsibility for ensuring it, as a matter of national policy. The lead and stimulus provided by these institutions is also invaluable for the welfare and vigour of the lyric and dramatic theatres throughout the country.\footnote{8}

The Council justified this practice by claiming that those companies embodied aesthetic/spiritual standards against which other companies could or should measure their own. However, the Council’s practice has often evoked criticism. For instance, John Elsom cynically rebuked the Council’s motto of ‘State support for the arts, without state control’ in 1976; “it had always been a doubtful maxim, but now it had lost all credibility. By establishing its list of priorities, the Arts Council was inevitably controlling the pattern of arts activity in the country ... inevitably furthering one species of theatre at the expense of another”.\footnote{9} There have been many who have taken John Elsom’s view such as Robert Hutchison who devoted a book in 1992 to The Politics of the Arts Council.

This chapter will briefly, but critically, examine how this practice evolved by quoting from influential figures in the Council and arts world, and by examining the
way arts subside had been distributed on its basis from the formation of the Council to
the end of the 1970s. After Thatcher's government, an additional justification for the
practice emerged. Since then, the Council has justified it by claiming that "centres of
excellence" have set standards in terms of arts business against which other
companies should measure their own. This study will take a critical view of this
practice when it examine the theatre economics of the 1980s and 1990s, because it is
my contention that it has played a significant role in consolidating the dominant
capitalistic cultural values which, this study will argue, have produced an unhealthy
cultural state.

Chapter III will examine the cultural and theatrical legacy of Thatcher's
government. To this end, firstly, this chapter will examine the state of arts subsidy
under the government of John Major (1990-1997) and Tony Blair (1997-). Then, it
will explore how the state of arts subsidy has affected the state of theatre management
and economics. This will be done in three broad categories – the state of regional
theatres, a boom of musicals, the state of new writing. As I believe that the critical
state of new writing in the early 1990s summed up the undesirable effect of
Thatcherite capitalism on theatre, so this chapter will thoroughly examine the factors
resulting from political, financial and cultural Thatcherism which led to this critical
state. From about the mid-1995, several young playwrights, such as Jonathan Harvey
and Mark Ravenhill, began to be spotlighted in the media. This study will consider
them as "Thatcher's Children", whose sense of values concerning society and theatre
was largely formed during Thatcher’s governments. This chapter will examine how
their theatrical and dramatic discourse was affected by Thatcherite theatre economy.
Lottery funding, distributed from 1995, has come to play an important role in the theatre economy. From the first year of lottery operation, the Arts Council of England received more money from the Lottery’s Arts Board - £250 million - than from the government - £186 million. Lottery funding for the arts has come from the pocket of the general public. For this reason, many questions can be raised concerning the use of lottery money. This chapter will explore the rationale behind lottery funding for the arts - how the lottery funds have been distributed and what problems have been regarding lottery spending for capital purposes. The main objective of this chapter is to explore whether lottery funding has been the saviour of the subsidised sector of the theatre after the ravages of Thatcherism.

Chapter V will examine the Playhouse in Leeds as a case study of theatre management in the 1990s. Leeds city has had a playhouse since 1970 – the Leeds Playhouse (1970-1990) and the West Yorkshire Playhouse (1990 -). The latter is the replacement of the former. This chapter will briefly examine the Leeds Playhouse, but its main concern will be given to the West Yorkshire Playhouse (WYP). The reason why the WYP has been chosen is that the company, under its artistic director Jude Kelly, clearly demonstrates the main subject of this study, the nature of theatre management and economics in the post-Thatcherite era of the 1990s. This chapter will clarify the management and economics by revealing the company’s theatrical and business strategies such as its partnership with industry and commerce, and by comparing the progressive spirit of the Leeds Playhouse of the 1970s with the post-Thatcherite spirit of the West Yorkshire Playhouse.

Chapter VI will examine Red Ladder as a case study to demonstrate Thatcherite capitalism as the cause for the near demise of political theatre in the
1990s. The reason why Red Ladder has been chosen is that, since its formation, the company has continuously modified itself to cope with the changing political and cultural climate of the times. Thus, a thorough examination of the company will give a clear idea of how/why political theatre collapsed under Thatcher’s government. In order to clarify the change that have taken place within the company, this chapter will compare Red Ladder’s radical ideals and activities of the 1970s with the modified ones of the 1990s.

For these two case studies, comprehensive materials such as pamphlets, programmes and the annual reports of the Playhouse and Red Ladder will be consulted. Interviews with important people such as Maggie Saxon, WYP’s Managing Director, and Wendy Harris, Artistic Director of Red Ladder from 1998 will be also quoted to support what has been discovered in those materials.

As has been mentioned earlier, this study has arisen from a view that what has taken place in the theatre world in the 1990s in the wake of Thatcher’s government has been undesirable and potentially dangerous for the role of the theatre in society envisaged after the end of the second world war. I hope to explicitly and implicitly suggest ways by which the British theatre may be rescued from that spiritual and cultural decline which it has evidently experienced during the past two decades.


7 *The Arts Council of Great Britain: Annual Report and Accounts*, 1984/85, Secretary-General Preface, p. 3.


Chapter I: New Right, New Order, and New Labour

I often wonder if Mrs Thatcher or her advisers have not studied Gramsci better than the left — indeed whether they have not appropriated Rudi Deutschke's 'Long March Through the Institutions'. She certainly set about consolidating the corporate nature of the capitalist state, re-affirming its basis as the legitimation of the power of capital and private enterprise, and incorporating every aspect of public life into its detailed control. ... In the 1980s the Labour Party had capitulated almost entirely to the smart efficiencies of the market economy, which of course leads them to an acceptance of an individualist, competitive ethic. They justify this by their need to attract the middle-class and professional-class vote.

Blair, Brown and Mandelson, the gang of three, coined the name of New Labour ... Their mission, quite clearly, is to manage British capitalism more efficiently than the Tories have been able to do. 'New Conservative' rather than 'New Labour' would be the most appropriate name for the party that they have created ... Where it differs from the defeated Conservative Party is in the dynamism and drive that New Labour has injected in its project to regenerate British capitalism.

Introduction

As Catherine Itzin noticed, Margaret Thatcher's "landslide victory in the General Election of 1979" was seen by many as "an event which was clearly to mark the beginning of the end of the post-war era of British social economic history". At the same time, her victory was the beginning of Britain's movement in a more capitalist direction. Socialist values - state interventionism, nationalisation, collectivism, trade unionism, welfare culture - were rapidly eroded by Thatcher's government in the 1980s. Instead, such capitalist values as laissez faire economy,
privatisation, individualism, employment and trade union acts, and enterprise culture were praised and established. By the end of 1990s, even under the Labour government, these capitalist values are still a dominant force in the British way of life.

This chapter will examine the changes which have taken place especially in British politics and economics during the 1980s and 1990s. The main purpose is to illustrate the political and economic background for the changes which also took place in the arts and theatre world during the 1980s and 1990s. Thus, this study will focus on issues relevant to the arts and theatre, for instance, the emergence of the New Right and its efforts to establish enterprise culture will be examined as relevant to Thatcher’s appointment Sir William Rees-Mogg and Luke Rittner as the Art’s Council’s Chairman and Secretary General respectively. Also, New Labour’s comprehensive acceptance of Thatcherism will be dealt with as a relevance to its acceptance of Thatcherite arts policy.

In examining the change, this chapter will consult a wide range of views from politicians and scholars irrespective of their political and ideological belief in an attempt to present an unbiased point of view.
The Emergence of the New Right and Free-Market Economy

The demonization of the sixties has been a characteristic of the New Right on both sides of the Atlantic. Indeed, the New Right phenomenon itself can be seen as a backlash against the social radicalism of the decade, as well, of course, as a reaction against the economic reformism of the thirties and forties.4

A new order in the British political economy in the 1980s came with the emergence of the New Right. The New Right formed a cohesive group. As David Edgar pointed out, many of them came from the same Cambridge college;

In 1978, Maurice Cowling, Fellow of Peterhouse, Cambridge, edited a selection of Conservative Essays, in which the essayists included Peterhouse graduates Roger Scruton, Peregrine Worsthorne and George Gale, and the college's present dean, Eduard Norman. Other Peterhouse men prominent in the advocacy of social-authoritarian positions include John Vincent (like Scruton, a Times contributor), Colin Welch (like Worsthorne, a regular writer for both The Spectator and the Telegraph group), novelist Kingsley Amis and Patrick Cosgrove, Mrs Thatcher's biographer.5

These people were rigorously authoritarian. For them the ultimate goal of the state was order, so they wanted a strong state to fulfil such an order. Roger Scruton wrote;
... Conservative attitude seeks above all for government, and regards no citizen as possessed of a natural right greater than his obligation to be ruled. ... It is basic to a Conservative view of things ... that the individual should find his completion in society, and that he should find himself as part of an order. ... He must see himself as the inheritor, not the creator of the order in which he participates, so that he may derive from it ... the conceptions and values which determine self identity.  

For the New Right, the post-war tolerant consensus political economy was the cause of disorder and the declining authority of the state. In the late 1960s and the early 1970s they regarded the rise in organised industrial militancy and the rise of new social forces grouped around issues of sex and race, as a gradual breakdown of social, moral, legal, and economic order. Civil liberty was for them not a major consideration. On the contrary, the pursuit of freedom by individuals or groups was often seen as an evil. For instance, according to Roger Scruton strikes were “tantamount to rebellion”. He added that employers should “reward extravagantly those servants who are essential; but make them servants. As for the others, let them strike, and permanently”. Society had to be protected from strikers, subversives, ethnic and feminist agitators, homosexuals. In this sense, it is understandable why the New Right including Mrs Thatcher was intolerant of dissenting organisations such as the Greater London Council, and of oppositional cultural movements such as political theatre.

To eradicate the evidence of past disorder as well as to construct a new order, the New Right also wanted authoritarian leadership as prosecutor and judge in its own case. Such a return to strong government leadership appealed to the public, who appeared fed up with the continuous social/political/economic instability of the 1970s.
Mrs Thatcher’s public persona, an uncompromising “warrior style”, exactly corresponded to the New Right’s expectation. It appealed to the electorate. The Observer reported in 1988:

Polling data suggests that the nation at large regards the Prime Minister in much the same way as do her colleagues in Government; personally unappealing, but an unstoppable force of nature who commands respect. After Edward Heath, she is the second most unpopular premier since the war. Yet, according to [Ivor] Crewe, her warrior style - setting objectives, leading from the front, confronting problems, holding her position - is an essential ingredient of the Conservative’s electoral strength. Cohesion, purpose and success take precedence over policy and ideology in voter’s eyes; That is the lesson of Thatcherism’s astounding success.8

Stuart Hall, who coined the idea of Thatcherism as having evolved from the New Right “authoritarian populism”, described the “hegemonic” nature of the New Right:

Authoritarian populism is a way of characterising the new form of hegemonic politics which emerged on the British scene with the formation of the ‘new right’ in the mid-1970s. It described a shift in the balance of social and political forces and in the forms of political authority and social regulation institutionalised in society through the state. It attempted to shift the centre of gravity in society and the state closer to the ‘authoritarian’ pole of regulation. It attempted to impose a new regime of social discipline and leadership ‘from above’ in a society increasingly experienced as rudderless and out of control.9

While the New Right pursued a strong interventionist state in the sense of restructuring a new order by disconnecting the past, it advocated a laissez-faire economy. In the case of the economy the New Right believed that government
intervention was unjust and did not work, and thus, that all alternatives to the free market were deeply flawed.

It was Friedrich Hayek's free-market theory that offered the basis for the New Right's economic policy. Hayek, in his influential book *The Road to Serfdom* (1944), argued that any state intervention in the economy would distort the operation of the free market forces which, in his view, worked automatically for the benefit of all. In the interventionist world, the economy had been effectively politicised by the growth of state organisations and interest groups which urged the central government to increase its expenditure. This inevitably caused the government to remove itself from the market place in purchasing its services. Hayek argued that the whole idea of this centrally planned economy was flawed, because the information needed to run the economy was so vast and so complex that it was impossible for the government to assimilate it. According to him, what the socialists promised as the "road to freedom" was in fact the "high road to servitude". By contrast, the market, assimilating the information as part of itself, was provider of entrepreneurs whose tireless quest for profit made society advance and develop. He firmly believed that most economic and social ills were the natural outcome of the erosion of the principles of the free market.10

There was, however, an inherent contradiction between the New Right's advocacy of a centralised authoritarian control and its advocacy of liberal free-market economy. This contradiction often led to the accusation that Thatcherism as a synthesis of the New Right ideal was not actually an ideology but a set of values intended for a certain social area and people. Thus, the contradiction generated such
polarised attitudes as those between the rich and the poor and between the north and the south. These polarised attitudes will be examined later in detail. *The Economist* pointed this out in 1993:

Why was a politician who celebrated the individual over the state [in economic terms] such a relentless centraliser of government power, and so careless of civil liberties? ... The reason was that Thatcherism was never a coherent set of economic and political ideas. Rather, it was a list of instinctively selected friends and enemies. At a rough approximation, the friends were the property-owning (and would-be property-owning) middle, lower-middle and aspiring working classes. The enemies were trade unions, public-sector workers, the intelligentsia and (as she saw them) spongers of every kind who were content to live off the state.¹¹

For Mrs Thatcher, the most intolerable enemy was “creeping socialism”. On coming to power, she was determined to battle against it.

**Thatcher’s Attack on the Post-war Socialist Values**

During the ten years since the last series of talks I gave here [*A Good Night Out*], the government of our country has used all the techniques to poison the sea of Britain, with the purpose of asphyxiating socialism.¹²

In her whole political career, Mrs Thatcher seemed to have one particular political aim - to break away from the political past. Her predecessors such as Edward
Heath accorded with the Keynesian social democratic consensus, believing that it was politically and socially necessary to maintain policies such as nationalisation, the welfare state, full employment, high levels of public expenditure, and conciliation with the trade unions. The post-war consensus politics continued between Macmillan and Gaitskell, Wilson and Heath. However, it was disappeared under Thatcher’s government. After the election victory in 1979, Margaret Thatcher set out to eliminate the consensus on the right of the Conservative Party. In 1979 She said;

The Old Testament prophets didn’t merely say: ‘Brothers, I want a consensus.’ They said: ‘This is my faith and vision. This is what I passionately believe. If you believe it too, then come with me.’ Tonight I say to you just that. Away with the recent bleak and dismal past.\footnote{13}

Again, in Australia in 1981, she unambiguously replied to criticisms from Edward Heath that she was abandoning consensus politics: “For me, consensus seems to be the process of abandoning all beliefs, principles, values and policies in search of something in which no one believes”.\footnote{14} One explanation for her hostility to consensus is that it advocated and protected a set of values which she could not tolerate - "creeping socialism". In her view, socialism was one of the main culprits of the "British disease", and it had led to social, moral and economic decline in Britain. Thus, those who had shaped that consensus, for instance, the socialist Labour or the Tory consensualists, were turned by the New Right into the villains of society. In 1987, she asserted;
For my first 25 years in politics it was socialist ideas that were influencing Conservatives. But the world has seen socialism now, and it is not for free human being, it is not for the British character. It produces neither prosperity nor human dignity. As you know, it is not the opposition I want to get rid of, it is central planning and control, the centrally-controlled, Socialist society in which your rights come from the government and you do as you are told. 15

Thatcher's government in the 1980s tried hard to "roll back" the socialist frontiers of the state. First of all, it restructured the nation's industry by transforming the ownership of big companies through a privatisation programme. During the 1980s, assets worth more than £40 billion were sold by the government. David Marsh wrote; “The scale of privatisation is immense. In fact, by 1991: over 50 per cent of the public sector had been transferred to the private sector; 650,000 workers had changed sectors ...; the nationalised sector accounted for less than 5 per cent of the UK output compared with 9 per cent in 1979”. 16 Among the major public companies privatised from 1979 to 1989 were British Petroleum (1979), British Aerospace (1981 and 1985), British Telecom (1984), British Gas (1986), British Airway (1987), British Steel (1988). By the end of the 1980s a few remained to be privatised, and the three remaining large nationalised companies - British Rail, British Coal and the Post Office – were on the government list for privatisation.

Thatcher's government, unlike previous governments, sustained its belt-tightening spending policy. This spending policy was closely related to monetarism which was developed by Milton Friedman in the 1950s and 1960s. His monetarist
theory had several aims for capitalist economy. One of them was to stabilise the inflation rate through the central government’s controlling of the supply of money. In Britain in the late 1970s, the inflation rate was soaring. Under the Callaghan’s Labour government (1974-79), a monetarist policy was already applied, making massive, ideologically contradictory, cuts in public expenditure which led to a series of protracted national strikes up to 1979. However, the Labour government’s version of the new monetarism was combined with traditional state intervention. After 1979, a purer monetarist policy began to be applied. The man who presided over this monetarist doctrine was a committed monetarist Nigel Lawson, who became the Chancellor of the Exchequer in 1982. In 1981 he unveiled his financial strategy to tackle primarily the rise in inflation which had dogged with early years of Thatcher’s government;

... It is essential from now on to secure a lower rate of growth of broad money ... The heart of our economic policy is the Government’s published and indeed quantified Medium Term Financial Strategy, the core of which is a steady deceleration in the rate of monetary growth over a four year period, buttressed by a gradual reduction in the size of the underlying budget deficit, which in turn is to be achieved by a steady reduction in the real level of total government spending.17

No less than five different sets of monetary targets were announced; 1979-82: Sterling M3; 1982-84: Sterling M3, M1, PSL2; 1984-87: MO, Sterling M3; 1986: MO, raised Sterling M3 target. According to year-on-year changes in the government’s total spending from 1979 to 1990 analysed by Maurice Mullard, the spending only increased in 1980 and 1981. After 1981 the spending continuously fell,
with sharp reductions being made in 1985, 1986 and 1987. Over the 1980s, the government rhetoric was consistent, for instance, in condemning overspending councils.

Thatcher’s government also restructured the welfare benefit system. There were many cuts and abolitions in welfare benefits, for instance; the abolition of the earnings-related supplemental unemployment benefit (1980); the making of unemployment benefit taxable (1980); the cutting off of benefit for unemployed young people; and abolition of emergency one-off payments. In addition, these cuts and abolition were coupled with caps on local government spending which resulted in the closing of residential homes and day programmes for children, the elderly and disabled people, and in cuts in the number of social workers.

If we accept Ben Pimlott’s claim that “the collateral of British socialism and leftness has been trade unionism”, for those who wanted to banish socialism in Britain, one of the most effective ways would be to begin with an attack on the trade unions. Thatcher’s government was very determined in its battle against the trade unions. It introduced five Employment Acts and the 1984 Trade Union Act to try to curb their power and to restrict their immunities. With these acts, it abolished the closed shop, outlawed secondary picketing and made pre-strike ballots compulsory. Strikes dwindled to very low levels especially after the miners’ defeat during 1984-85. In 1988 Ben Pimlott described the gloomy state of trade unions whose power and membership were greatly diminished;
At the end of a decade of a decline in power, rights and membership, trade union are not fashionable. Bewildered, divided and under siege, unions in Britain have been less confident and more uncertain about their goals during the Thatcherite era than at any time since the Second World War.20

Mrs Thatcher often proudly claimed that her government had changed almost “everything”. Here, “everything” certainly included post-war British socialist values. By the end of 1987, in an interview with the Financial Times, she unreservedly said that a third successive election victory would fulfil her aim of “killing off Socialism”.21 For her socialism was inherently bad, and she forced its adherents into submission. For instance, in the mid-1980s she and her government abolished the Labour-controlled metropolitan counties and the Greater London Council, which were seen as centres of left-wing opposition. All these were intended, as she said as early as in 1983, to “banish from our land the dark, divisive clouds of Marxist socialism and bring together men and women from all walks of life who share a belief in freedom and have the courage to uphold it”.22

However, in terms of the post-war socialist history, it is not entirely correct to say that British socialism has been based on Marxist socialism. It is true, however, that there was a period of a radical socialist movement in post-war Britain. Immediately after the war the working-class in Britain were optimistic about social change. Catherine Itzin, while examining the political background of the proliferation of the left-wing theatre companies after 1968, wrote;
The optimism after the war was immense and the expectations of the Labour government of 1945 were great - in anticipation of the nationalisation of industry and the creation of the welfare state. Clive Barker, who worked with Joan Littlewood and with Centre 42 and was of the Arden/Bond generation himself, remembered the euphoria on the occasion of the nationalisation of British Rail: 'Three of us took a train journey that ran over midnight, so after twelve we could say, "It's ours. It's ours."' 23

However, there was growing disillusionment with successive governments which, the public thought, had not done enough to fulfil their expectation of socialism in Britain. Catherine Itzin wrote;

'But then,' said Barker, 'our families, working in steel, would come back and say, "It's no different, the same people are still in charge and it's less efficient than it was before."' There was great disillusionment - particularly amongst that first generation to be educated out of the working class - with the tokenism of Labour governments in nationalising industry and setting up the welfare state. .... With the Labour government of 1964, there was some hope for social change. Within twelve months, however, it became clear that Labour was not going to alter anything. 24

In 1968 the failure of anarchist student protests to achieve social change triggered strong political activism which appealed to Marx as the symbol of radical change. In the 1970s, the economic instability under Heath's government and Callaghan's Labour government further stimulated this radical movement. Alongside frequent workers' nation-wide strikes, the far-left group, the Trotskyist Militant Tendency, adopted the tactic of "entryism", to infiltrate its members into the structure of the Labour Party in order to seize leadership at the grassroots level and to promote political revolution.
Such a radical movement was, however, remote from the public’s conception of the post-war British socialism. Generally speaking, in the post-war Western Europe including Britain, socialism referred to a socialist humanist economy. This comprised a substantial amount of public ownership, some degree of central planning, a general increase in public expenditure, and the reduction of inequality and class difference through progressive taxation, redistributive benefits and educational policies.

In general, the radical socialists did not believe in post-war consensus politics. For them this was merely reformism in the society still dominated by capitalism. The policies advocated by them included nationalisation of the top two hundred companies, extension of state control over the whole economy and workers' control in state-owned industries. In order to move radical social change they often resorted to extra-parliamentary actions such as industrial disputes. Their resort to drastic means gained, however, little support from the British public.25 It is, therefore, highly questionable to identify, as Margaret Thatcher did, the post-war socialist tradition with the far-left radical movement.

Moreover, Margaret Thatcher’s concept of freedom also demands scrutiny. What she meant by the people “who share a belief in freedom and have the courage to uphold it” did not refer to the majority of the British public. It embraced only the people who, as she often mentioned, were “one of us”. So the freedom she espoused did not apply to those who, for instance, wished to belong to trade unions, because organisations such as trade unions were not “one of us”. When she talked about
“freedom”, she eliminated certain freedoms long assumed by many as necessary rights. In this sense, Mrs Thatcher as Prime Minister was indeed dogmatic, having, as The Economist pointed out, “a list of instinctively selected friends and enemies” without “a coherent set of economic and political ideas”. Paul Hirst adds;

The Prime Minister believes that there is one legitimate set of values, her own. She has acted as if other plural political and social organizations are illegitimate and ought to have neither influence nor the right to exist. She has stated her aim to be the elimination of ‘socialism’ and claimed that it is ‘alien to our British way of life’. She believes that only one party is really fitted to rule, her own. ... she has acted and thought in such a way that in the long run would reduce democracy to the bare formal minimum: to national elections that would be little more than a plebiscite to decide who should rule."

From the start of the new conservative era, the left and its constituency were concerned about what would become of those left behind. In 1988 Ben Pimlott anxiously summed up the dismal state of British socialism; “There has never been a time since the 1930s when the prospects of the British Left seemed bleaker”. This was one year after the Conservatives had won a third national election. However, it was not merely a matter of the Labour Party losing an election. Rather, it was a matter of the whole fabric of British socialism unravelling as Thatcherite values continued to weaken the left in all its forms. By the end of the 1980s, Margaret Thatcher styled Britain as the post-socialist society by stamping socialism as an intrusion, or an obstacle to Britain’s progress towards an enterprise society.
Thatcherism and Enterprise Culture

During the course of the 1980s, the idea of enterprise emerged as a central motif in the practice of Thatcher's government. Towards the end of her Premiership, Mrs Thatcher said;

I used to have a nightmare for the first six years in office that, when I had got the finances right, when I had got the law right, the deregulation etc., that the British sense of enterprise and initiative would have been killed by socialism. I was really afraid that when I had got it all ready to spring back, it would no longer be there and it would not come back ... But then it came. The face began to smile, the spirits began to lift, the pride returned. 28

As Mrs Thatcher herself claimed, to move Britain into the acceptance of a more overtly enterprise society, “Economics are the method; the objective is to change the heart and soul of the nation”. 29 By the end of the 1980s, Lord Young [David Young], Secretary of State at the Department of Trade and Industry, who believed that “private enterprise is the key to prosperity”, talked about two key “pillars” of enterprise - “openness of markets and the initiative of individuals”. 30

In the enterprise culture, priority always lies in wealth creation. Its supporters argue that if the economy does not produce sufficient national wealth the state would
not be able to afford desirable public support for health, education, arts and other services. In its proponents' view, the cake must be created before it is divided up. Thus, the market economy, where what matters is to increase the wealth creation, is a primary force. If people are to prosper, not to mention retain their jobs, they have to compete for consumers, to cost their activities and to think of themselves as producers. In this way, the discipline and rigour of the market helps to construct a mode of selfhood defined in terms of the virtues of enterprise. The market becomes the only sphere of social action.

The enterprise culture advocated by Thatcher's government aimed, first of all, to transform people's or organisations' consciousness from simply relying on established positions and incomes to appreciating the fact that they now belonged to a culture in which the world did not owe them a living. Thus, it became a major weapon in disconnecting the past by attracting those who have fallen foul of dependency culture. David Young argued;

In a centrally controlled economy the value and values of enterprise are thwarted. In addition the welfare state stifles enterprise by generating dependency and creating poverty traps, which are most difficult to break out of ... We must encourage their individual talents rather than use the wealth created by enterprise to perpetuate the sins of the past. We must have an enterprise culture, not a dependency culture.31

Doctors, nationalised company managers, and artists also now had to think in terms of economic enterprise culture. Doctors could no longer simply give treatment without paying proper attention to its cost, and without being properly accountable.
Company managers were stimulated to become more commercial in their attitude and practice, and more financially efficient. Arts subsidy was squeezed, so that artists were expected to raise a greater proportion of their income from business trading and other sources.

Ultimately, the New Right’s economic theories and its efforts to eliminate the post-war British socialist values were a passage towards the enterprise culture. Consequent changes made by Thatcher’s government, from an internal market for the N.H.S through selling-off of council houses to the government’s squeeze of arts subsidy, should be understood in terms of the enterprise culture. In theoretical terms, Sir Keith Joseph, who was considered to be a disciple of Friedrich Hayek, Nigel Lawson, and David Young were the key figures in the formation of the enterprise culture in Thatcher’s era.

After the Conservative’s election defeat in 1974, Sir Keith Joseph began to formulate a new meta-narrative that would explain not only the defeat, but also British politics in the whole post-war era. He argued that all governments since 1945 had been engaged in the pursuit of a “semi-socialism” - government intervention and union power - that had “forced the private sector of the economy to work with one hand tied behind its back”.

He saw this as the culprit for Britain’s economic decline. As an antidote to this decline, Joseph urged economic reform to restore private enterprise under a free market monetarist model, with government’s role largely reduced to controlling the money supply. In 1974, he established the Centre for Policy Studies (CPS) to learn lessons from successful enterprise-oriented economies like Japan and West Germany. He became its first Chairman and Margaret Thatcher its
Vice-Chairman. The CPS quickly established itself as an alternative to the party's own research department, namely, a think tank. In the early years of Margaret Thatcher's leadership, the CPS, "thinking the unthinkable", played a most significant role in the formulation of new Conservative policies, later called Thatcherism. These policies, which largely advocate free market economy and freedom of individual choice, are contained in its publications; Keith Joseph's *Monetarism is Not Enough* (1976), Margaret Thatcher's *Let our Children Grow Tall* (1977), Nigel Lawson's *The New Conservatism* (1980) and *The New Britain* (1988).

If Joseph and the CPS offered a theoretical basis, Nigel Lawson was instrumental in putting the enterprise culture into practice. In 1984 he delivered a lecture entitled, *The British Experiment*, at the City University Business School. Apart from arguing for reversing the post-war interventionist economic policy, in the last section of the lecture, entitled *The Enterprise Culture*, Lawson argued that an economic policy alone, such as the abolition of controls on wages, progressive reductions in the burden of taxation and privatisation, was not enough. He insisted that the post-war Keynesian culture and "psychology" should be transformed in order to create the enterprise culture. In his view, although all these economic measures should free the market, their effects would be thwarted by the post-war culture and psychology. Thus, what was needed, he argued, was education in enterprise. Enterprise was, therefore, now considered to be teachable, and not simply a psychological trait possessed by the few.

David Young became the chief missionary in educating the enterprise culture as well as in constructing its architecture. In October 1984, he was appointed, as
Minister without portfolio, to run the new Enterprise Unit in the Cabinet Office. His prime task in the Unit, largely responding to Lawson's analysis, was to promote the enterprise culture in the economy and society. Particular emphasis was given to the co-ordination of enterprise education for 14-18-year-olds. He said:

In the past, there was an unfortunate and unnecessary bias against enterprise in British culture. In future, that bias must be overcome. Individual entrepreneurs need positive encouragement to take an active part in the creation of prosperity. We must strive to bring schools, universities, and other educational institutions to a closer understanding of the needs and hopes of the enterprises in which their pupils and students will one day work.33

In the mean time, the Prime Minister requested that the Manpower Services Commission (MSC) under the chairmanship of David Young, should set up a Technical and Vocational Education Initiative (TVEI) in November 1982. The TVEI scheme was launched nationally and developed from the Enterprise Unit, through the White Papers Better Schools in March 1985 and Education and Training for Young People in April 1985. A new scheme was introduced in 1987 by the MSC under the auspices of the Department of Employment, Enterprise in Higher Education (EHE). The document’s ultimate aim was to stimulate students’ entrepreneurship in order to make them into:

a person who has belief in his own destiny, welcomes change and is not frightened of the unknown, sets out to influence events, has powers of persuasion, is of good health, robust, with energy and willing to work beyond that which is specified, is competitive, is moderated by concern for others and is rigorous in self-evaluation.34
David Young became Minister of Employment in 1985. During the period between 1985 and 1988, he delivered many lectures and speeches promoting the enterprise culture; the Gresham Lecture entitled *The Fall and Rise of the Entrepreneur* in July 1985, the Barnett Lecture on the inner cities in 1986 and many unpublished speeches in the 1987 and 1988. The main rhetoric of these lectures and speeches was that enterprise is the most central aspect of human personality, not just for business entrepreneurs but for everyone. Thus, enterprise has to be the only basis of national unity, creating “one nation”. While he tried to make a collectivist post-war cultural legacy - welfarism, nationalisation and trade unionism - a symptom of “the British disease”, he also tried hard to make the public understand that the enterprise spirit was good for Britain.

In June 1987 Young was appointed Secretary of State at the Department of Trade and Industry, which was subtitled the Department for Enterprise (DTI) in June 1988. In the White Paper of that month, he put forward the encouragement of enterprise as his major task for the DTI until 1993. From 1988, the DTI produced enterprise strategy schemes coupled with education - a partnership between government and individuals, commerce and industry - ranging from the Enterprise Allowance Scheme and the Private and Business Enterprise Programmes, to various training schemes for school leavers and the unemployed. According to young, their success was soon evident: “the Enterprise Allowance Scheme, in just under three years to July 1989, has enabled more than 450,000 people to set up their own businesses”.

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By the end of the 1980s, enterprise was seen to be the basic factor, the most fundamental prime mover in government policy, not just for, in Thatcher’s words, “economic progress”, but for renewing “the spirit and solidarity of the nation”. However, the question remains whether Thatcher governments’ efforts to spread the enterprise culture were comprehensively successful.

The Consequence of Enterprise Culture

During the 1980s beggars reappeared on the streets of many British cities, and increasing number of people took to sleeping in the open-sights once associated with the Victorian and Edwardian period ... Homeless families had numbered 56,000 in 1979, but as a result of government policies ... by 1989 no fewer than 128,000 families, including 370,000 people, were officially classed as homeless ... . The emergence of large ‘underclass’ alienated from the mainstream of society was marked by the outbreaks of rioting in many of the depressed urban district. Beginning with the Bristol riots of 1980, this phenomenon spread to ... Brixton in 1985, and Newcastle in 1991. The government’s proposals to require even the poorest to contribute towards the new poll tax resulted not only in massive non-payment, but also in the failure of around a million people to register as parliamentary voters. Thus many of the poorest people lost their political influence just as they had during the Victorian period ...

Britain, by the end of the 1980s, looked as though it was entering a new era with the Thatcherite enterprise culture. This seemed to be true particularly of the attitude and behaviour of the young generation. In a decade after Margaret Thatcher had been Prime Minister, a number of newspapers surveyed the group aged 15-24 in May 1989 who were too young to vote in the 1979 election. This group, nicknamed
"Thatcher’s Children", had no adult knowledge of any government but hers. A MORI poll, commissioned for the BBC programme, *Ten Years On* in 1989, to mark the tenth anniversary of Conservative government under Margaret Thatcher, found that aspirations of “Thatcher’s Children” were similar to characteristics of Thatcherism, materialism and individualism. The majority wanted to own their own home (more than 80%), to have a private pension (more than 50%), and to run their own business (almost 50%).

It seemed, however, that Thatcherism had not triumphed with the general population. This was clearly demonstrated by the results of another opinion poll conducted by MORI in 1988. The public was asked to choose between socialist values and “Thatcherist” values. The results were;

<table>
<thead>
<tr>
<th>Socialist v. Thatcherist values</th>
<th>(1)</th>
<th>(2)</th>
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</thead>
<tbody>
<tr>
<td>A ‘A mainly capitalist society in which private interests and free enterprise are most important’.</td>
<td>43</td>
<td>77</td>
</tr>
<tr>
<td>B. ‘A mainly socialist society in which public interests and a more controlled economy are most important’.</td>
<td>49</td>
<td>17</td>
</tr>
</tbody>
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| A. ‘A society which emphasises the social and collective | 35 |

People have different views about the ideal society. This card shows a number of alternatives. Q.(I) Please read each pair of statements and then tell me which one, in each case, comes closest to your ideal - statement A or statement B. Q.(2) Now, for each pair of statements, please tell me whether you think statement A or statement B is most like Britain today?
According to the table above, on the one hand, it is clear that a large proportion of the public perceived the current state of Britain to be close to the Thatcherite ideal. Britain was a mainly capitalist society in which private interests and free enterprise were more important (77%) than public interests and a controlled economy (17%); “the creation of wealth (75%) was more highly rewarded than caring for others” (19%); efficiency (68%) took precedence over “keeping people in work” (25%); individuals were encouraged to look after themselves (66%), and people were permitted “to make and keep as much money as they can” (73%).

On the other hand, it was also clear that the public’s ideal was very much different from the perception. Asked to choose between a Thatcherite and socialist society, the public opted for the Thatcherite one on two out of five dimensions, but
only by small majorities. They preferred a free society “which allows people to make
and keep as much money as they can” (53%) to an egalitarian society which
“emphasises similar incomes and rewards for everyone” (43%), and chose efficiency
(50%) in preference to “keeping people in work even where this is not very efficient”
(42%).

Nevertheless, a large majority preferred a society “which emphasises the social
and collective provision of welfare” (55%) to one in which “the individual is
encouraged to look after himself” (40%). A massive majority preferred a society in
which “caring for others” (79%) was more highly rewarded than “the creation of
wealth” (16%). A small majority still preferred a “mainly socialist society in which
public interests and a more controlled economy are most important” (49%) to a
“mainly capitalist society” (43%). Thatcher’s government had undoubtedly
transformed the British political, economic and social structure, but this seemed to
have been done without a cultural concomitant revolution in the thinking of ordinary
people.

The majority’s belief in socialist values was demonstrated by statistics. On the
issue of privatisation, between 1979 and 1983 the net majority preferring privatisation
to nationalisation hovered around 20% - a peak for the post-war period. However, this
percentage was declining. By 1987 the majority was a mere 4%. In addition, Gallup
Political Index in 1988 reported that a majority was “heavily opposed to the
privatisation of the remaining public industries - electricity, water, coal and
railways”.40
Although Mrs Thatcher significantly weakened the power of trade unions, she failed to persuade the public that trade unions were undesirable or unnecessary institutions. Throughout the decade a majority still regarded the unions as positive institutions rather than negative ones for their welfare. The percentage of people who regarded trade unions as a “Good thing” was continuously increasing: “55% (Wilson-Callaghan, 1974-8), 56% (Thatcher I, 1983-6), 64% (Thatcher II, 1983-6) and 70% (Thatcher III 1987-8)”\(^{41}\)

According to a survey, in 1979 17% of voters thought that welfare benefits had “not gone far enough”. By 1987 the percentage had more than doubled to 34.9.\(^{42}\) This was a clear indication of a growing fear in the 1980s that the benefit system as a social safety net was failing to catch people in need. The public was increasingly willing to accept tax-increases for proper public expenditure. This was demonstrated by official statistics which showed that public preference for such tax-increases steadily rose - “34% (1979), 49% (1983), 59% (1985), 61% (1987), 73% (1989)” - as opposed to service cutting.\(^{43}\)

By contrast, from the start, Thatcher’s government constantly spoke of the need to reduce the level of taxation. In Thatcher’s own words, “tax cuts are the incentive to create the wealth which pays for higher benefits”\(^{44}\). It was often claimed by Tories that the government’s popularity resulted from its tax-cutting. In reality, however, the overall tax burden was higher in 1989 (43%) than it was in 1979 (39%). Indeed, there was a reduction of the tax burden, but mostly for the rich. On coming
into power, Thatcher’s government restructured tax codes in favour of the better-off, for instance, by reducing income taxes on the top earner from 83% to 40%.\textsuperscript{45}

In 1979 Catherine Itzin rightly foresaw an intention of the New Right “to alter the tax system to favour the wealthy rather than the workers”.\textsuperscript{46} The treasury’s loss was made up for by increasing the tax burden on the less well-off by increasing National Insurance contributions, domestic rates, and VAT, all of which became a heavy burden particularly on the poor. For example, it increased VAT (the Valued Added Tax - a form of sales tax) from 2.5% to no less than 17.5%. Owing to these alteration and introductions, chief executives and their workers would pay the same VAT on a new pair of socks, despite a large gap in their income.

A logical consequence of Thatcherite reforms for capitalist enterprise culture was a growing inequality. A survey done by the Institute for Fiscal Studies revealed that “half of the total giveaway in terms of benefits and tax reductions has gone to the richest 10 per cent of households”.\textsuperscript{47} According to \textit{A Statistical Analysis 1979-1988/89}, in 1979 the top 20 per cent of wage earners had enjoyed 37 per cent of all income after tax, by 1988 they had 44 per cent. By contrast, the poorest 20 per cent of the population, who had received 9.5 per cent of income in 1979, earned a mere 6.9 per cent by 1988.\textsuperscript{48} It appears that after the cake was created, most of its benefit went to the rich. Under Thatcher’s government, the rich looked included as “instinctively selected friends” and the poor looked unfriendly excluded as “enemies”.

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A direct effect of this was that the living standard of the poorest section of society had been deteriorating since 1979. Between 1981 and 1987 the percentage of the population living in “Households below 50 per cent of National Income”, which is where the EU draws the poverty line, more than doubled from nine to nineteen - more than 10.5 million people.

Supporters of the enterprise culture defended this, on the one hand, by attributing poverty to, what the Victorians called, “fecklessness” which blamed the individual’s lack of effort and laziness. On the other hand, they defended it by highly prizing the Victorian value of self-reliance, a typical Thatcherite rhetoric which emphasised the individual’s responsibility to stand on his/her own feet.

However their defence did not appeal to the public. According to the Gallup Political Index, in 1977, before Mrs Thatcher came to power, 35% of voters thought that if people were poor their own lack of effort was probably to blame. By 1985 that figure fell to 22%, while 50% blamed ‘circumstances’ such as injustice in society. Asked in November 1987 whether “the unemployed have usually themselves to blame”, 87% of them disagreed; only 13% agreed.

In fact, people who claim state benefits are often forced to do so by their inability to find work and constraints of unemployment and poverty traps. For these people, their job or pension was financially all they have, and when unemployed they have nothing to fall back upon but the benefits. The problem seems not to lie in individual’s lack of effort but in social organisation. Thus, what Mrs Thatcher claimed
- state-induced dependency may lead to people becoming "moral cripples", or her supporters' argument that cutting state support for the least well-off would eliminate dependency, are not convincing. Rather, their argument caused a serious social division.

Bob Jessop et al argued in a book, *Margaret Thatcher's Two Nations*, that "Government policies are having a complex and uneven impact on such societal cleavages as productive/parasitic, rich/poor, North/South, employed/unemployed, etc." They explained the reason for these "societal cleavages";

Thatcherism has broken with the Conservative 'one nation' approach to the KWS [Keynesian Welfare State]. In both its social democratic and Tory 'one nation' versions the KWS was presented as an attempt to integrate the poor, deprived and underprivileged into membership of the community through economic growth, full employment and, increasingly, universal welfare benefits ... The KWS rested on an image of social divisions in terms of *multiple, horizontal* strata with more or less access to desired values ... In contrast Thatcherism presents an image of social divisions based on a *single, vertical* cleavage stretching from top to bottom of society...

Barry Brian cynically wrote; "The remarkable ideological success of Thatcherism is to identify the selfish, anti-social choice with self-interest, so that the choice in favour of the interests that we share is treated as a piece of self-sacrifice". This sounds like a perfect explication of the 1980s dictum - "greed is good".
If Thatcherite enterprise values failed to instil themselves into the public, it appears to be strange that Mrs Thatcher had been elected as Prime Minister three times in a row. There emerged some factors to explain this ironic fact. The 1979 election looked to be not so much the one won by Margaret Thatcher as the one lost by Labour which was viewed by the public as being hopeless in dealing with a social disturbance and an economic decline. For the 1983 election, the “Falklands Crisis” which briefly revived a wartime feeling of solidarity, gave some life back to Margaret Thatcher who, according to public opinion surveys at that time, had been the least popular Prime Minister next to Heath. In addition, in 1983 and 1987 Labour’s in-fighting also made a contribution to Thatcher’s victories. As has been noted, Thatcher’s public persona, an uncompromising “warrior style - setting objectives, leading from the front, confronting problems, holding her position” also may have accounted for an appeal to the electorate as “authoritarian populism”. However, these factors could not explain her victories entirely. The Guardian offered a more convincing hint of the answer for her victories, reporting on the 1987 Social Attitude survey;

Mrs Thatcher may win the votes, but ‘Thatcherite’ values are becoming less popular, the survey finds. Support for new Conservative ideology stagnated between 1985 and 1986, following a gradual shift to the left over the previous two years. The key change in public opinion towards the political parties during the pre-election year was less to do with underlying values than with a sharp improvement in the electorate’s evaluation of the
In the late 1970s and the early 1980s, Britain was in a state of economic crisis. Facing a world recession prompted by a further rise in oil prices, in 1980 inflation rose to a peak of 21.9%, and unemployment passed two million for the first time since the 1930s. As recession deepened, manufacturing output shrivelled, and there was a succession of cuts, closures and bankruptcies across industry. However, the damage was not evenly spread. As has been briefly noted in “Margaret Thatcher’s Two Nations”, unemployment, for instance, was concentrated in some part of the country, particularly in the northern England; “Regionally, the South-East now has 2% fewer jobs than at the time of the 1979 peak; the South-West has 2% fewer; the West Midlands has 10% fewer; the East Midland has 3% fewer; Yorkshire and Humberside has 12% fewer; the North-West has 15% fewer; the North has 13% fewer”. This uneven regional unemployment figure was one of the explanations to an uneven geographical division of income and wealth. The table below shows this;

<table>
<thead>
<tr>
<th>Region</th>
<th>1975</th>
<th>1986</th>
</tr>
</thead>
<tbody>
<tr>
<td>South East</td>
<td>112.9</td>
<td>117.5</td>
</tr>
<tr>
<td>Great London</td>
<td>125.8</td>
<td>124.6</td>
</tr>
<tr>
<td>Rest of S.E.</td>
<td>103.6</td>
<td>112.6</td>
</tr>
<tr>
<td>East Anglia</td>
<td>92.8</td>
<td>100.8</td>
</tr>
<tr>
<td>South West</td>
<td>90.3</td>
<td>96.1</td>
</tr>
<tr>
<td>East Midlands</td>
<td>96.7</td>
<td>96.1</td>
</tr>
<tr>
<td>West Midlands</td>
<td>100.0</td>
<td>90.6</td>
</tr>
<tr>
<td>Yorks. &amp; Humberside</td>
<td>94.1</td>
<td>93.2</td>
</tr>
<tr>
<td>North West</td>
<td>96.2</td>
<td>93.5</td>
</tr>
<tr>
<td>North</td>
<td>93.6</td>
<td>91.9</td>
</tr>
</tbody>
</table>

(Source: Economic Trends, 1977, 1988)

The gap in regional wealth generation: Gross Domestic Output per capita, 1975-86
As the table above shows, average personal disposable income in the South East region was more than 20% higher than in the Yorkshire & Humberside, the North West, and the North. The table unquestionably reveals that a principle of Thatcher’s government was to protect the interests of people in the South where more of the managerial and professional classes live. These classes have traditionally been strong Conservative supporters. In the 1987 election, 57% of them voted for Conservative. However, Margaret Thatcher knew that in order to win elections, the party required the support of a majority of qualified and skilled workers who had stood between the lines of Conservative and Labour. Well aware of this, Margaret Thatcher and the New Right focused on an economic means to increase the support from them. Since such economic means gained popular support from them, it has been generally called “popular capitalism”.

Amongst the means, government’s encouragement of a share in ownership through privatisation was most noticeable. The fact that nearly all the industries were sold off for much less than they were worth, provided a boost to people who could afford to buy shares of the industries. For instance, one of the big privatisation, British Telecom, attracted two million investors, and more than half of them experienced share-holding for the first time. In 1990, the number of individual shareholders reached nine million - almost three times as high as that of 1979.

There was no definite evidence as to how much electoral profit the Conservative party gained from privatisation sales, but the government must have
broadened its support group. Besides reinforcing traditional support from professional and managerial classes who were mostly rewarded by the privatisation sales, the government succeeded in gaining a considerable popularity from qualified and skilled workers, many of whom became shareholders in the 1980s, as has been noted by David Marsh. Indeed, in the 1987 election the Conservative party received the support of a majority from them; about 36%, compared with 32% in the 1983 election. According Ian Gilmour, “This was as good a way of bribing voters with their own money (and other people’s) as has ever been invented”. 61

Thatcherite capitalism did not receive support from all strata of society. It could not increase support from manual and unskilled workers or the unemployed in the northern area, who were little benefited from the privatisation sales simply because they could not afford to buy shares. This is precisely the main characteristic of Thatcherite capitalism. It was popular only to those specifically targeted people for election victories. Thus, what made the Thatcher’s government different from previous post-war administrations was their lack of concern for the elements of society, those who did not, by and large, vote Conservative, but who still had to live with her policies. As has been noted with its restructuring tax system and welfare benefit system, the poor looked excluded by Thatcher’s government as “instinctively selected enemies”.

As Thatcherite popular capitalism, promoting the dream of home ownership and of financial success, increased Conservative’s support base, it further weakened that of Labour, shattering its hope of immediate political power. Many of the Party members must have come to realise that without a significant transformation of its
left-wing policies there would have been little hope of its being re-elected. These people including Tony Blair have been called Labour modernisers. They must have learnt lessons from the presence of Thatcherism as a distinctive brand of contemporary populism. After the three consecutive election defeat, the leftist magazine, *Marxism Today* observed in October 1988;

Increasingly, at the heart of Thatcherism, has been its sense of New Times, of living in a new era. While the Left remains profoundly wedded to the past, to 1945, to the old social democratic order, to the priorities of Keynes and Beveridge, it is the Right which now appears modern, radical, innovative and brimming with confidence and ideas about the future.63

Indeed, the sheer impact of Thatcherism was on the Labour Party. This will be dealt later. It can be seen that Britain, in the 1990s, after Thatcher’s government, entered a new Thatcherite era with John Major’s government and Tony Blair’s New Labour, both of which inherited and developed Thatcherite enterprise policies.

**Thatcherism in Major’s Government**

In November 1990 John Major succeeded Mrs Thatcher as Prime Minister. His premiership continued with the general election victory in 1992 until April 1997 when the Conservatives were defeated by New Labour. John Major was generally seen as a
relief after the stern and unbending Margaret Thatcher, and his brand of Conservatism has been seen by many as “Thatcherism with a human face”.

With John Major there came a change in style. In the 1980s Margaret Thatcher had a long list of enemies - the dependent society, the undeserving poor, left-wing local authorities, trade unions, and much of the non-market public sector. To conquer these enemies, she adopted a confrontational, or even abrasive style, smashing the socialist past and anything which, in her view, was not “one of us”. It was like a continuous war or revolution as the Prime Minister tried to change the hearts and minds of the nation. John Major’s style, however, was more that of a healer than of a warrior, preferring to console rather than to confront. Whereas Margaret Thatcher liked challenging people in debate, John Major simply liked meeting them. Like many of his Tory predecessors, he has been said to have been a “balancer”.64

Major was able to get rid of unpopular policies such as the “Poll Tax”. He did not agree with the well-known Thatcherite phrase - “There is no such thing as society”. He tried to reduce the influence of the Thatcherites in his cabinet, for instance, by bringing Michael Heseltine, who was the main opposing force against Mrs Thatcher’s leadership in 1990, back into the Cabinet.65 Moreover, on some issues Major’s view was to the left of Thatcher’s. His view on the public services is one example. In place of the Thatcherite premise that all public services were suspect, he maintained the assumption that many of them were an unavoidable obligation of the modern state and only needed to be reformed. This is clearly seen in the Citizen’s Charter introduced in 1991 which could be claimed as one of the few original policies.
of Major’s government. According to the 1992 Conservative manifesto, the Charter was trumpeted as “the most far-reaching programme ever devised to improve quality in public services”. Subsequent individual Charters for particular public services followed - the Taxpayer’s Charter and the NHS Patient’s Charter.

However, in reality, if the policies of Major government are closely examined, it is not difficult to see that their overwhelming thrust was based on the Thatcherite enterprise culture. The Citizen’s Charter Second Report said that “The Citizen’s Charter is not only changing attitudes and culture but also the structural and managerial reforms - privatisation, market testing, the establishment of agencies - that are changing the systems which deliver public services”. At the heart of the Charter are the important conceptions of enterprise, market testing, and contracting out to a consumer-driven market.

It is true that Major was viewed as a more consensual and pragmatic politician than Thatcher, but this does not mean that his policies were very different from hers. Rather, it is correct to say that he was acting in line with the Thatcherite enterprise culture. According to Ian Lang, he was “more Thatcherite than the lady herself”, and he was “taking the Conservative agenda further than his predecessor did”. For instance, a government plan, the 1992 Private Finance Initiative, opened up the public sector by ending governmental blocks on private involvement in public projects - rules intended to keep a clear distinction between public and private. With the plan, private-public ventures were promoted, pumping the market ethic into the public services such as coal, British Rail, and part of the Post Office as well as into many forbidden
areas of the welfare state such as the National Health Service. In 1992 in the quintessential Thatcherite capitalist forum of the fifteenth anniversary of the Adam Smith Institute, John Major claimed that;

we have privatised State-owned industries. We have cut taxes. We have liberated businessmen [sic] and investors. We have deregulated and opened the market. We have spread wealth and we have spread ownership. We have seen a phenomenal growth in personal pensions and savings. There is no going back on this. 69

Indeed, one of the main contributions to the general election victory in 1992 was Major’s continuous efforts to brand the Labour Party as “the badge of Socialism”, being stuck in “the same old groove”, 70 even if the Labour Party at this time was significantly moderate in its policies. Just after the victory, the Prime Minister, in an interview in the Sunday Express, confidently confirmed the demise of socialism in Britain;

Socialism of course is dead and gone: Finished, passed, out of the window. Nobody believes in it any more. Nobody. Not in this country, not abroad. It is now a museum piece, nothing more. Time has passed it by. 71

Major’s government passed the 1993 Trade Union Reform and Employment Rights Act which aimed to further reduce the unions’ power. The subsequent
legislation authorised employers to offer workers inducements to decertify their union. Gillian Shephard, then Employment Secretary, described it in the White Paper in 1992 as signifying the end of the Conservative government’s long-running “war” with the trade union movement. John Redwood argued; “Reports of the death of Thatcherism have been greatly exaggerated. The principles of Conservatism are not being killed off or interred. They live on”. The Conservative Party was finally defeated in the general election of May 1997. However, an influence of its 18-years regime was unstoppable. Charles Leadbeater wrote about this a few days after its defeat;

The Tories may have departed but they - and Thatcher in particular - have mapped out the path down which we walk. We were all inescapably touched by their ideas and policies, willing or not. ... they have had such a powerful influence on us. They preached an ethic of responsibility but relieved most of the middle class of guilt or obligation to the less fortunate. That legitimised a low-level, everyday culture of greed ... the Victorian values of work and thrift, have given way to the lottery culture of random selection and the Cedric Brown culture of rampant greed. ... whatever improvements the Conservatives made were bought at a high price of rising, intractable inequality which has left millions of people living on the margins of decency.

**Thatcherism’s Impact on the Labour Party, and New Labour**

In some respect Mrs Thatcher had more effect on the Labour Party than she has done on the Conservative Party. Labour is now in many respects a party of European social democracy. It speaks cautiously on public spending and taxes, and abandoned unilateralism, is steadily weakening its connections with the trade unions and has given up on public ownership. The leadership’s rhetoric now invokes ‘consumers’ or ‘citizens’ not ‘workers’. Socialism, on the rare occasions that the word is uttered, is not about public
ownership but about supply side socialism, diffusing power, giving people more choice and freedom.  

After the defeat of the 1983 election, the Labour party has been significantly transformed by the impact of Thatcherite popular enterprise capitalism. As John McGrath observed, “The old Parliamentary Labourism made endless compromises … by their need to attract the middle-class and professional-class vote”. After the defeat, the so-called Labour’s “desocialising” process has begun with its fearful realisation that if the Party clung to its traditional socialist politics, it would never again be elected. This section will firstly examine the “desocialising” process which took place under the leadership of Neil Kinnock. Secondly, it will deal with the period of New Labour under Tony Blair, during which the process has been radically accelerated.

Generally speaking, the post-war Labour Party has been conceived as a socialist party. There have been two ideological poles in it. One is based on “revisionism” which does not follow Marxist revolutionary principles. Its central idea is the discontent with the Marxist prediction - the collapse of capitalist societies before revolutions established left-wing governments. Revisionists such as Hugh Gaitskell (1906-63) and Roy Jenkins argued that the prediction had been proved wrong because workers, the main revolutionary forces, had not become materially poorer or revolutionary in outlook. Thus, for the socialist goal of a more equal society, rejecting revolutionary means, they pursued parliamentary means such as progressive taxation and redistributional welfare state.
The other pole is the hard left which have refused to accept the revisionist idea. Members of the hard left, as has been briefly examined, argued for their alternative economic strategy such as workers’ control in state-owned industries. They were constantly in conflict with such revisionist party leaders as Wilson and Callaghan. They were, in one way or another, responsible for the social upheaval in the 1970s. When the 1979 election was lost to the militant New Right led by Mrs Thatcher, the hard left insisted that a similar return to the roots of socialist ideology was necessary. Defeating and discrediting the revisionists, the hard left imposed Michael Foot as Labour’s leader in 1980. With a manifesto of a radical left-wing set of policies - promising the unilateral abandonment of Britain’s nuclear weapons, extensions of nationalisation, and oppositions to the (Capitalist) EEC, Labour failed to gain support from the electorate in the 1983 general election. After this, its policies have gradually changed from the left towards the centre.

Labour’s “desocialising” process began with Neil Kinnock, who succeeded Michael Foot as the Party’s leader in 1983. Neil Kinnock began to realise that if Labour was to broaden its electoral appeal and regain political power “there would have to be profound changes in the mentality of the Labour Party”. One of them, he thought, was to overcome an element within the Party which had, in his words, “treated realism as treachery ... and scorned any emphasis on the importance of winning elections as a contaminating bacillus called ‘electorism’”.77
First of all, Kinnock changed his own ideological mentality in the 1980s. This was evident in his two different views on miners' strike. In the early 1970s, his proletarian credentials were undoubtful. He defended miners’ mass pickets in parliament and violence by saying that;

Hon gentlemen opposite have bemoaned picketing. If they had been on strike for five weeks, if their families' total income was £7 a week social security benefits, if they were worried about smoking their next cigarette, if they were worried about paying the rent ... what would their reaction be? What would be the instinct of any red-blooded man in this House, having put his family to all that inconvenience and near misery if he saw someone riding roughshod over his picket line? I know what my attitude would be. In fact, I should be worried if it were not the case. 78

However, according to Tony Cliff and Donny Gluckstein, Neil Kinnock underlined;

his insistence that the labour movement should respect the Tory law by denouncing both miners' leader Arthur Scargill and the Militant-influenced Labour-controlled council in Liverpool at the party conference in October 1985 ... Under Kinnock Labour moved further to the right ... 79

However, Kinnock was cautious about making “major forays into changing policies” because of his belief that any attempt to institute major policy changes would have been doomed “without long preparation and a variety of actions to push and
persuade people and organisations into changed positions". Nevertheless, during, what Kinnock called, the "first innings" - from 1983 to 1987, some changes were made in the party's policies. One was the introduction of the new conception of a "third way" of "democratic socialism", an ideology which, in Kinnock's words, was "separate and distinct from the stale vanguardism of the ultra-left". It was not clear, however, that what it was ideologically meant at this stage. What was clear was that the "third way" was a stepping stone towards the Party's accommodation of the market economy in the near future. For example, as one of the strategies of the third way, in 1986 the Party accepted "social ownership". In Kinnock's words, it was in opposition to old-style nationalisation and supported diverse, wider forms of social ownership, ranging from "small co-operatives to municipal enterprises and right through to the major utility corporations like British Telecom".

As a result of his rather cautious revisionist attempts, the 1987 Labour's General Election manifesto, *Britain Will Win*, scaled down the socialist proposals of 1983, such as pledges to extend public ownership, to renationalise privatised assets, and to massively increase public expenditure.

The defeat at the 1987 election offered a definitive lesson for the Labour party. The party witnessed the electoral success of Thatcherite popular capitalism which continuously diminished the working-class population and trade union membership, who had traditionally been the strongest supporters of Labour. This led to Kinnock's realisation, as Patrick Cosgrave wrote in his book of *The Strange Death of Socialist
Britain, that “the left-wing policies which he had espoused all his life made it virtually impossible for a Labour government to be elected”. He added;

There were two elements in Kinnock’s nature. The first one was belief in socialism. The second was ambition. After the crushing defeat of 1987, ambition, in Neil Kinnock’s mind, gained the ascendancy. One after the other the policies which he had espoused were jettisoned. Suddenly the Labour Party was in the business of promising, not to overturn reforms that had been put in place by successive governments headed by Mrs Thatcher but to refine them.83

A comprehensive review of the party’s policies came after the defeat in 1987. Basically, this was a response prompted by the electoral success of Thatcherite popular capitalism. Its aim was simple; to attempt to widen the Party’s appeal to the voters by eliminating electorally unpopular policies such as nationalisation and high taxation. The so-called “centripetal tendency” was seen in a series of policy review documents - Meet the Challenge, Make the Change (1989), as well as two subsequent policy documents, Looking to the Future (1990) and Opportunity Britain: Labour’s Better Way for the 1990s (1991).

A theory of “New Times” offered a crucial theoretical basis to the party’s Review. As has been noted, it first appeared in Marxism Today in October 1988. Stuart Hall and Martin Jacques, who began the “New Times project” explained;
The “New Times” argument is that the world has changed, not just incrementally but qualitatively, that Britain and other advanced capitalist societies are increasingly characterised by diversity, differentiation and fragmentation, rather than homogeneity, standardisation and the economics and organisations of scale which characterised modern mass society. 84

According to them, Margaret Thatcher transformed Britain from a society of the old post-war settlement to a new world, seeking to appropriate that new world for itself, “ideologically (‘socialism is dead’, ‘the market determines everything’), materially (giving it shape, a Thatcherite inflexion, through policy and practice), and culturally (the attempt to promulgate a new entrepreneurial culture).” 85 Thus, they suggest that the Left should seek to promote the long overdue modernisation by accommodating or adopting many of features of Thatcherism. Whether their argument is right or not, the idea of “New Times” has certainly given the revisionists basic ideas about how a contemporary British society has been transformed by Thatcherite capitalistic economic and cultural forces.

The party’s positive accommodation of the market economy was a natural choice. It was clearly seen in Meet the Challenge, Make the Change (1989), which was one of the key documents to result from the Policy Review. It stated that; “in very many areas of the economy the market and competition are essential in meeting the demands of consumers, promoting efficiency and stimulating innovation, and often the best means of securing all the myriad, incremental changes which are needed to take the economy forward”. 86 The “economic role of modern government”, Neil Kinnock argued, was therefore “to help the market system work properly where it can, will and should - and to replace or strengthen it where it can’t, won’t or shouldn’t”. 87
If this statement had been published in the 1970s, British voters would have thought that it came from the Conservatives.

Shortly after the fourth consecutive election defeat, Kinnock resigned and in July 1992 John Smith became the Party leader. Even during the short period of his leadership terminated by his sudden death in May 1994, the “desocialising” process continued. During Smith’s time, there emerged the growing scepticism about “Clause IV” of the Party Constitution - a symbolic commitment to a basic socialist value, namely, “common ownership”.

With the new leadership of Tony Blair, “Clause IV” was doomed. Indeed, it was Tony Blair who made the decisive break with the Labour’s past. He has been the most determined revisionist, accelerating the pace of the “desocialising” process. He knew that society had changed radically. Its core vote in the working class and trade unions had shrunk and many of its associated interests notably with the trade unions, local government and public sector, had been weakened. He believed that the party accordingly must change radically.

Tony Blair has shown little respect for old Labour’s socialist values - public ownership, economic planning, tax-and-spend welfarism and the close link with the trade unions. In his hand, the name of socialism was transformed into “social-ism” which advocates enterprise culture in the market economy. He made a significant contribution to such journals as Marxism Today as early as 1991. Here, he argued for
re-establishing “the agenda for public action without the old failings of collectivism”;
“the battle over theoretical forms of economic organisation is dead ... We need to
develop instead a new economics of the public interest, which recognises that a
thriving competitive market is essential for individual choice”. 88

The culmination came with the removal of Labour’s main constitutional
objective - “common ownership” - defined in Clause 4 as to “secure for the workers by
hand or by brain the full fruits of their industry and the most equitable distribution
thereof that may be possible upon the basis of the common ownership of the means of
production, distribution and exchange”. 89 When Blair made his leadership speech at
the Labour Party conference in Blackpool on 4 October 1994, although he did not
directly mention Clause IV, it was not difficult to discern that this was his target. He
told his audience that;

Let us say what we mean and mean what we say. We should stop saying
what we don’t mean and start saying what we do mean, what we stand by,
what we stand for. It is time we had a clear, up-to-date statement of the
objects and objectives of our party. ... This is a modern party living in an
age of change. It requires a modern constitution that says what we are in
terms the public cannot misunderstand and the Tories cannot
misrepresent. 60

After wide debates on the “statement of the objects and objectives”, at a
Special Conference on 29 April 1995, held at the Methodist Central Hall,
Westminster, the party leader finally secured the approval, by a 65 % vote, of a new
Clause IV, entitled “Labour’s Aims and Values”. Removing any trace of commitment, however symbolic, to the “common ownership”, the new Clause IV celebrates “the enterprise of the market and the rigour of competition”.91 This marked, in Labour’s history, the moment when Labour abandoned the idea that the capitalist market economy was immoral, exploitative and inefficient. In short, it marked Labour’s final break with state socialism. In fact, Labour was not truly New Labour until Blair. “The key difference”, David Rubinstein argues, “between the Labour Party of today [New Labour] and the party led by Ramsay MacDonald and his successors up to and including Neil Kinnock is the absence now of the socialist left, which collapsed suddenly in the 1990s”.92 Bill Jones points out Blair’s achievements. Amongst them are;

- At the 1997 conference he read the unions a humiliating lecture on how to pull together with management and not to expect any favours from him ... 
- He accepted their [Tory] spending plans for the first two years of his government. 
- He has favoured big business people for a number of key appointments rather than more obvious Labour people (e.g. Lord Simon of BP as the Trade and Industry Minister, Martin Taylor of Barclays Bank, who is advising on benefits, and Geoffrey Robinson as a Treasury minister, ironically placed in charge of tax avoidance when he was revealed to have huge investments in offshore tax havens himself) 
- He has accepted privatisation. The left-wing journalist Paul Foot has written that during the 1980s Labour pledged to renationalise every enterprise privatised by the Tories, but once Blair came to power each pledge was systematically abandoned, including, most shamefully for some, that of renationalising the railways. 
- Blair abandoned any opposition to capitalism, the original source of socialism and the Labour Party, and regularly praised the ‘dynamism’ of free enterprise as well as accepting the existence of very rich people as legitimate.93
Ex-Foreign Minister, Douglas Hurd said that “Mr Blair is trying to clamber onto our platform, paint it a different colour, and claim it as his own”. Indeed, Tony Blair has been a Thatcher admirer, and her true successor. He argued that many of Thatcher’s reforms - tax cuts, enforcing the market economy, weakening the union’s power, attacking welfare benefits - were constructive. Margaret Thatcher, in his view, was a “radical, not a Tory”. Arguing that “only a Labour Government could complete the economic and social revolution begun by Thatcher in the 1980s”, which were now imperilled by the revival of the “old boy network” in the Tory Party, he urged those who wanted some real “radicalism” to vote for him. That a Labour leader was asking the electorate to believe that he would overturn almost everything his party stood for in favour of the continuation of a Thatcherite revolution was testimony to the powerful appeal of the Thatcherite legend. The Economist pointed out New Labour’s ardour for the enterprise culture by analysing Brown’s pre-budget report for 2000;
By the end of the 1990s, Thatcher’s ultimate aim to establish Britain as a free enterprise society for the next generation seemed to have been fulfilled. In the ten years after the 1989 MORI’s survey which revealed a materialistic and individualistic attitude among the young, the 1999 MORI’s survey revealed the fact that “Today’s youngsters are very hard-headed about money”, wanting “to learn more about money at school”. The Observer, publishing the result of MORI poll, adds examples of young people’s business ability and enthusiasm; “... One youngster, Tom Hartley, 14, is a luxury car salesman in his father’s business. His sales patter and ability to close deals has made him Britain’s youngest self-made millionaire ... For Tom Hadfield, age 16, the Net has been a passport to riches. He is the creator of Soccernet, the world’s most popular football website, which is now valued at about £12 million ...”97 By the end of the 1990s, Britain was certainly heading for a free capitalist enterprise society.

Conclusion

By the end of the 1990s, Britain seemed to have lost its ideological balance. Socialist values have been marginalised as capitalistic entrepreneurship has dominated. Martin Thomas, a British socialist activist and writer, wrote about his bewilderment by quoting a conversation between his friends and young students about socialism;
"WOULD YOU BE INTERESTED IN A SOCIALIST MAGAZINE?" some comrades of mine were asking working-class 16-to-19 year olds at Further Education colleges recently. The student's response was neither more hostile nor less friendly than usual, but more puzzled. Again and again they asked: "Socialism? What's that?" We might as well have been promoting theosophy or bimetallism.98

As a result of two-decades' effort, from Margaret Thatcher through John Major to Tony Blair, the capitalist enterprise culture has now penetrated British society. The dominance of capitalist values has, in turn, made a significant impact on the arts and theatre world. The next chapter will examine the impact on changes in arts and theatre.
5 Ibid., p. 70.
7 Ibid., p. 177.
20 Ibid.
24 Ibid.
25 This is well demonstrated by the fact that although Labour's 1987 election programme was relatively moderate compared with its 1983 radical one, the electorate still perceived the Labour Party as being unfit for the government in the 1987 election because of its association of the Labour Party with far-left radicalism. Once again they chose Mrs Thatcher as their Prime Minister.
31 Ibid., p. 29, 35.
33 David Young, *Op cit.*, p. 34.
36 David Young, *Op cit.*, p. 34.
41 Ibid., p. 14.
47 Dennis Kavanagh, *Op cit.*, p. 231
49 *The yardstick of 50 per cent of national average income is one commonly used in cross-national studies of poverty, particularly in European Union.
51 *The Thatcher Effect, Op cit.*, p. 244
53 The phrase, ‘one nation’ , was coined by Benjamin Disraeli, the famous 19th century Conservative Prime Minister as a new element to his party’s philosophy by criticising the ‘two nations’ in Britain, the rich and the poor. It advocates paternalist state intervention in the market, providing welfare and other essential services. Most Conservative leaders in the 20th century have shared “one nation” values, but Mrs Thatcher broke with this tradition and espoused a different set of values - limited government, the market, and free enterprise.
55 Ibid., p. 147.
58 There were many other factors to explain for this. Amongst them, the South-East region alone attracted more than 50% of national venture finance in 1986.
59 In the 1987 election, Mrs Thatcher succeeded in gaining the support of a majority of skilled workers; 40%, compared with 32% in the 1983 election.
62 By 1989 more than one million council houses had been sold to individual tenants.
63 *Marxism Today*, ‘New Times’ special issue, October 1988, p. 3.
64 It is said that Major’s political hero has been Iain Macleod, an essentially Keynesian consensualist, rather than Sir Keith Joseph, a monetarist and disciple of Friedrich Hayek.
65 According to Steve Ludham, since Major’s reshuffles after 1990, there has been a decline in the number of Thatchrites in the Conservative government from 20 in 1987 to 12 in 1993. [Steve Ludlam. ‘Majorism - Shuffling to the Left?’, *Politics Review*, November 1993, p.4]
73 Charles Leadbeater, ‘The Tory Years: And so we say farewell ...’, *The Observer*, 4 May 1997, p. 28.

Neil Kinnock, 'Reforming the Labour Party', *Contemporary Record*, vol. 8, no. 3, Winter 1994, p.536, [Originally, it was delivered as a lecture at the Institute of Historical Research, University of London, 8 December 1993].


Ibid., p. 368.

Ibid., p. 540.


Ibid., p.15.


Ibid., p.6.


The Times, 'Is Labour the true heir to Thatcher?', 17 July 1995, p. 17.


The Observer, 6 June 1999, p.2.

Chapter II: Two Different Arts Councils

Introduction

By the end of the 1980s, British society was apparently different from that of the late 1960s and the 1970s. After the ten-year Thatcher regime, the prospect of a Thatcherite new age seemed very close. Capitalist values such as the market economy prevailed in almost all aspects of British society. Thatcherism seemed to have won the ideological battle against, what she called, “creeping Socialism”.

The cultural atmosphere was also transformed during the 1980s. While the progressive age of the 1960s and 1970s, in which a counter-culture movement had flourished, gradually became a thing of the past, enterprise culture was praised and promoted. In the 1980s, the enterprise culture also penetrated into the arts and theatre world. This was primarily effected by the Arts Council which had, since the war, powerfully influenced the cultural climate and quality of Britain.

As has been examined in the introduction of this study, there was a clear distinction in the attitude of the Arts Council between that prior to Thatcher’s government and that after Thatcher’s government. Before Thatcher’s government, the Arts Council was rather conceived of as a sympathetic and independent supporter to
the arts in general and theatre in particular, despite its traditional role of preferably supporting “centres of excellence”. This was possible because successive governments, both Conservative and Labour, persuaded by the Council, had generously kept expanding its Grant in Aid. In addition, while doing this, they had also maintained their role as merely patrons of the arts. However, in the 1980s, the Council could not and did not operate as it used to. It could no longer be a sympathetic and independent supporter of the arts. This was mainly because the idea of enterprise advocated by the right-wing government penetrated the Council as a prime force. The right-wing Thatcher government cut its public spending and also appointed Sir William Rees-Mogg to Chairman of the Council. As a result, not only was the Council itself transformed into a business-like institution, but also it too imposed business management on its clients. Theatre companies were forced to transform themselves into managerial ones. Consequently, this had a significant effect on their artistic mentality and activity.

This chapter will examine the two different cultural climates influenced by the Arts Council; one in the progressive 1960s and 1970s and the other in the 1980s. In doing so, it will demonstrate, implicitly or explicitly, that it was the economics of the Arts Council than writers and directors that was responsible for the changes in theatre after Thatcher’s government.

To clearly illustrate the difference, it will explore how differently the political theatre movement was dealt with by the Council between in the 1970s when its vigorous activities, perhaps made possible by arts subsidy, characterised the progressive age of 1970s and in the 1980s when its collapse, as a result of cuts in subsidy and the imposition of business management, characterised the conservative
Thatcherite age. It will also examine the abolition of the Greater London Council as an illustration of how the uncompromising right-wing government repressed oppositional cultural movement. The aim of this chapter is to offer a basic ground to the development of the main subject of this study – the theatre management and economics in the 1990s as a direct influence of arts subsidy.

The Arts Council in the Progressive Age

Traditionally the Arts Council of Great Britain (ACGB) had subsidised producers, mainly through grants to theatre companies. Its policies were based on the modernist/liberal-humanist view that the artist has something special to offer to society that transcends any particular political or economic regime. Art puts people in touch with 'universal' values, so it deserves protection both from market forces and State interference since, like education and social security, it is an essential ingredient in the satisfied citizen's life. ... In the 1970s, Arts Council policy generally had stuck to this line, though it was tempered by a growing commitment to arts education as a way of broadening access to the 'high arts'.

Although it cannot be said that art policies are more significant than economic or national security policies in the daily lives of the public, the commitment of a government to the arts such as its view on arts funding is one thing by which people can judge the quality of their life. In Britain, the Arts Council of Great Britain (1946-1994) had officially been responsible for that quality. What happened to the Council was, therefore, of symbolic importance to the culture as a whole.
As has been examined, the emergence of the Arts Council immediately after the war can be seen in relation to the social structure based on the welfare system. The Council was established as an autonomous state-funded organisation to mediate between government and the arts, independently deciding which artist and arts organisations should receive financial assistance from the Council and what their grants should be. In this way the state and the arts were to be kept “at arm’s length” to avoid such undesirable things as political censorship of the arts and the making of state-approved art.

Until the end of the 1970s, in other words, before Thatcher’s government, the Council’s independence from the central government had been maintained. This had been possible partly thanks to the Council’s own efforts to keep it free from a direct political intervention, such as Lord Goodman’s conviction published in its Annual Report of 1969 - “I remained unrepentantly ... divorced from direct government intervention, and free ... from political slanting ... ”.² It was also partly due to the tacit consensus of successive governments’, either Conservative or Labour, not to deviate too far from their traditional role as mere art patrons. Sir Roy Shaw described “the arm’s length principle” and thought of this as “the pride of British policies for the arts”;

Since both the main parties likely to govern have this year established working parties on arts policy ... Hitherto it has been the pride of British policies for the arts that they were not, as happens in many countries, implemented by a government ministry, but were entrusted instead to an independent body (the Arts Council), thus keeping politicians, in Lord Redcliffe-Maud’s phrase, ‘at arms length’ from the artist.³
Government pays the piper, but makes no attempt to call the tune. The situation was described in an Arts Council report over twenty years when the Chancellor of the Exchequer was the Minister responsible for the arts:

No Minister directs its policy or decides how and to whom its grant shall be made. There is no single instance on record of a Chancellor of the Exchequer requiring or directing, or even advising, the Arts Council to do this or not to do that, and when from time to time some action of the Arts Council is criticised in the House of Commons, successive Chancellors have invariably declared that they will not interfere with the Arts Council's discretion.  

One important element in "the arm's length principle" was that the Council should act to make the government recognise the importance of art issues, and to persuade it to devote more resources to the arts. The amount of money the Council had received was closely related to the performance of the economy - the government’s response to the economy, and the government’s response to the arts. In the 1950s the British economy was still in the process of recovering from the war. The structure of the arts sector was far less complex and its scope was less extensive, being overwhelmingly metropolitan in character. During the period the annual grant award to the Council doubled from £675,000 to £1,218,000, but it was not a particularly vast amount of state money for the arts.

The 1960s was often said to be the decade of economic stability and prosperity. The government could afford to use more resources for the arts world. The Labour government under Harold Wilson, particularly, had a definite arts policy. It was detailed in a white paper, A Policy For The Arts - The First Steps, written under the supervision of the first Arts Minister, Jennie Lee. The paper, above all, was an attempt to make arts prevail in "everyday life". It stated;
In any civilised community the arts and associated amenities, serious or comic, light or demanding, must occupy a central place. This enjoyment should not be regarded as something remote from everyday life... Beginning in the schools, and reaching out into every corner of the nation's life, in city and village, at home, at work, at play, there is an immense amount that could be done to improve the quality of everyday life.

The most immediate effect of Lee's white paper was a significant increase in the Council's grant. Particularly, in the year when the new Royal Charter was introduced in 1967, government subsidy was sharply increased from £3,910,000 (1965/66) to £5,700,000 (1966-67). It reached £8,200,000 in 1969-70 and £9,300,000 in 1970-1. With the substantially increased arts subsidy, the Council guided the expansion of the arts sector. As far as theatre was concerned, amongst others, two important things took place. One of them was that the Council encouraged regional theatrical activity by supporting the establishment of new theatres in Newcastle, Exeter, Leeds, and in various towns and cities across the country. By the early 1970s, there were more than sixty subsidised repertory theatres across the UK. The Council also served as a springboard for the proliferation of alternative theatre companies in the 1970s.

In the 1970s, the Council began to go through a difficult period. The worldwide oil crisis in 1973 brought the Council’s expansion policy to an end. For the first time, the Arts subsidy was not increased in 1975. In the latter half of the 1970s, the Council suffered from the devaluation of its grant by inflation. During this period, although the Council’s grant-in-aid was increased - £28.85m (1975/76), £37.15m (1976/77), £42.725m (1977/78), £51.8m (1978/79), the Council found it difficult to
meet the demand from the sharply increased regional arts centres and the proliferation of the alternative companies. For instance, alternative theatre grew almost by 300%, from 56 in 1975 to 171 in 1979.

Indeed, although the arts subsidy had been steadily and consistently increased since its foundation, the Council had constantly felt short of money. The amount of money it had received from government had never been great enough to meet the needs of its clients. This has always led to accusations of the Council’s unfair distribution of arts funding. It is necessary to examine this matter in detail because the unfair distribution claimed by many people became the main factor in the creation of the British cultural climate.

The council’s decision to distribute arts funding was closely related to its value judgements concerning the arts. From its foundation, its decisions have been described as being highly politically based on cultural elitism. Charles Landstone, the Council’s first drama director, described this as early as 1949;

[the Arts Council] must raise the standard of the arts and make them more accessible to the people, but it must watch lest the standard be raised so high that the people may not desire to access. A constant balance must be kept between the artist’s self-confidence and the public’s fear of the unknown. It is like the climbing of a ladder. The artist, self-confident, glowing with a sense of beauty, stands at the top. At the foot stands the man in the street, a little apprehensive, yet aching with the desire to share that beauty. The man at the top must descend rung by rung until his down-stretched arm can be grasped by the unstretched arm of the would-be climber. Then together, rung by rung, they can ascend. The closing of the gap between the two outstretched arms must be the constant task of the Arts Council.
According to the description above, it is assumed that the Council did not hold the opinion that art grew out of the normal interaction of the people. In its view, the Arts were in the hands of the gifted metaphorically standing at the top of the ladder, while the public, stood at the bottom of the ladder, ignorant, and incapable of doing anything artistic for themselves. Thus to understand or appreciate the Arts, they must be introduced to the examples of ‘high art’. In the 1970s, the Arts Council’s cultural elitism was still in effect. In 1976, in a report about arts funding submitted to the Gulbenkian Foundation, Lord Redcliffe-Maud wrote;

... who should we public patrons help? ‘The many’ and ‘the few’ do not together constitute the whole population. They must be... a whole series of concentric rings. The innermost circle consists of the few people of genius... Wider than the circle of the genius is the circle of talent... Still wider is the circle of those capable of professional teaching of their art... Outside that circle are the active amateurs... Beyond them is the still wider circle of those who enjoy the arts as an audience... and beyond them."

From the point of Landstone’s ladder or Redcliffe’s concentric rings, it is not difficult to see the message they wanted to deliver on behalf of the Arts Council; to support the “the few centres of excellence” first. Indeed, it should be borne in mind that in its first Royal Charter, the Council’s main objective was “to improve the standard of execution of the fine arts”. [My Italic] As early as 1950 W.E. Williams, the Council’s Secretary General, argued that “High standards can be built only on a limited scale”, so he argued for a role based on a few institutions in deciding what to support.8 This policy remained constant throughout the 1950s. Williams’ last report as Secretary General in 1961-62 repeated the policy, except changed “roses” to “institutions”; “The essence of the Arts Council policy nowadays is to sustain the best possible standards of
performance at a limited number of institutions". He added in 1962; "...Even if [the Council’s] income were larger, it would still prefer to consolidate those priorities [to fund a few institutions] than to dissipate its resources upon an extensive provision of the second rate. If the power-houses were to fail, there would be a blackout of the living arts in Britain". Lord Gibson, the Council’s Chairman from 1972 to 1977, also argued; “Inevitably, and rightly, most of our money has gone to the traditional arts. It is due to its belief that each generation has a right to enjoy its cultural inheritance”. He did not conceal his patronising view on the new cultural movement emerging from the late 1960s, regarding the movement’s “cultural democracy” as “the romantic notion”;

There is, however, a new creed emerging, to which we are totally opposed. This is the belief that because standards have been set by the traditional arts and because those arts are little enjoyed by the broad mass of people, the concept of quality is ‘irrelevant’. The term cultural democracy has been invoked by those who think in this way, to describe a policy which rejects discrimination between good and bad and cherishes the romantic notion that there is a ‘cultural dynamism’ in the people which will emerge only if they can be liberated from the cultural values hitherto accepted by an elite and from what one European ‘cultural expert’ has recently called ‘the cultural colonialism of the middle classes’.

According to John McGrath, “Excellence is the key-word of the new domineering ideology … to move towards a standardisation of cultural work”. For the better understanding of the implication of McGrath’s argument, it is worth listening to Malcolm Griffiths who served as a member of the Drama Panel and many of its sub-committees from 1971-77. According to him, excellence implies ideological bias; “The Arts Council is there to perpetuate the monopoly of an elite, essentially the ruling classes, over the national resources, the people’s money”. To support his claim, Griffiths pointed out the Council’s potential for an abuse of power caused by its anti-
democratic decision-making “concealed in the interstices”, setting up policies “without regard to reality”. In the Council, the Financial Department, in charge of dividing the cake, was the only department without a public committee or panel. By its closed-room decision making, Griffiths argued, the Council could exert a kind of censorship; “The Arts council does have the means by which it can directly affect companies and the livelihoods of the theatre workers involved by making decisions which never go through committee”.  

The problem was that this censorship, in some cases, was politically motivated. This was demonstrated in the cases of the two theatre companies, Foco Novo and 7:84 (England). What happened to them in the 1970s was generally regarded as an example of how a theatre company could become a victim of the Council’s politically-motivated decisions. Foco Novo’ The Nine Days and Saltley Gates and 7:84 (England)’s The Ballygombeen Bequest received attention in the media. The former was criticised for its advocacy of trade union militancy, and the latter became the target of a libel suit. As a consequence of this, the two companies had to face grant reductions in the following year. Socialist writer Steve Gooch argued;

Throughout the late seventies the Arts Council strenuously denied that it acted in any way as a political censor. When challenged, it would always point to ‘standards’ ... Consequently, it refused or cut grants to the poorer, less industrious companies who did not attract the most gifted actors and who, by going into the toughest areas to find their audiences, could not point to high box-office taking.
The political nature of the Arts Council was further pursued by Robert Hutchison. In his book *The Politics of the Arts Council* which analyses the nature of the Council's internal politics from 1945 to 1979, he asserts that "the Arts Council is an intensely political organisation ... to the extent that it controls resources which create, transform, and interpret society's values and norms".\(^{16}\) His claim is convincing in view of the allocation of money by the Arts Council. According to Catherine Itzin, in 1973/74 the total money sixty alternative companies received - £250,000 - was just equivalent to half the grant of the national companies, £500,000.\(^{17}\) According to the Cork Report in 1986 - *Theatre Is for All*, in 1970/1 the two national were receiving 30% of the total Arts Council funding allocated to drama, and by 1980/1 this had risen to 43%. For touring companies and projects - most of which went to alternative theatre - the figures were 2% (1970/1) and 13% (1980/1).\(^{18}\)

Nevertheless, there is a clear distinction between the Council before Thatcher's government and the Council afterwards. Most people associated with the arts think that until the end of the 1970s the Arts Council had been benevolently supporting the arts. As has been noted, this was possible mainly due to the Council's own efforts to maintain "the arms length principle" and to the successive governments' restraint from interfering in how the money they gave to the Council should be spent. John McGrath, despite his argument that excellence has led to "a standardisation of cultural work", believed that the Council's allocation of arts funding was based on liberal ideals;

When I was on the Arts Council drama committee in the seventies those values [liberal values] were quite clear: a company was free to make any political statement - as long as the quality was high enough, they were supported.\(^{19}\)
The Council's liberal ideal was demonstrated by the fact that, it gave its financial support to the "artists who ... consistently bite the hand that feeds them", even if the support was small, and even if its high ranking officials such as the Chairman, Lord Goodman, often questioned "whether it was the duty of the state actually to subsidise those who are working to overthrow it". Their general, basic view on the arts was as follows;

It must be understood that the so-called cultural heritage which made Europe great - the Bachs and Beethovens, the Shakespeares and Dantes, the Constables and Titians - is no longer communicating anything to the vast majority of Europe's population ... It is bourgeois culture and therefore only immediately meaningful to that group.

The great artistic deception of the twentieth century has been to insist to all people that this was their culture. The Arts Council of Great Britain was established on this premise.20

The Council's Annual Report and Account in 1976-77 listed a total of 18 companies, which could be described as socialist, a total subsidy of around £400,000.21 For instance, Red Ladder could receive sustained increasing subsidy from £18,950 in 1975/76 through £37,500 in 1977/78 to £48,470 in 1979/80. The money given to the political theatre played an important role in developing its counter-cultural experiments in its heyday of the 1970s.

One of them was its introduction of a collective working principle. Ideally speaking, the collective method implies a theatrical structure in which decision making
and duties are equally shared by company members. Every member has a say, everyone is equally paid, and everyone shares the process of work. They called themselves theatre workers, in an attempt to break down hierarchical distinction attached to certain roles such as artistic director and leading actor. The aim of this egalitarian democratic structure was to eliminate the traditional hierarchical culture of the theatre in order to offer within the theatre company a model for the organisation of society as a whole. John McGrath, whose company 7:84 was working on the basis of the collective principle, explained:

It is important here to see theatre not just as ‘plays’, but as a means of production, with bosses, workers, and unemployed, with structural relationships and varied contradictions. It is through its structures as much as through its product that theatre expresses the dominant bourgeois ideology.\(^{22}\)

Despite internal conflicts and tensions related to personality and working methods, strain and fatigue caused by touring - usually one-night stands five times a week, and the problem of McGrath himself being a dominant figure and thereby contradicting the socialist ideal itself,\(^{23}\) the collective working principle had been, more or less, maintained by 7:84 throughout the 1970s. Practically speaking, however, the usefulness of the collective method is somewhat questionable. McGrath pointed out the crisis reached in the late 1970s;

What happened round about six years after we began was that it was almost like built in obsolescence. Many of the cast went all at the same time. The guy who built all the sets, played the fiddle, drove the truck, loaded the truck, suddenly his back went and he couldn’t work. He, at the same time, got involved with somebody (his marriage had broken up during the touring years) who wanted him to come off the road to live a life. And, at the same
time, other people were having problems either worn out with life on the road or wanting to go and, being wooed for large amounts of dough, for other productions, wanted to start a career. Others were just exhausted. Some of them, their voices just went. It all happened over a period of six to nine months. 24

Baz Kershaw has also claimed that “at worst this [the collective method] led to the ‘everyone must do everything’ syndrome, in which the anti-structural tendencies of the counter-culture produced theatrical waste and inefficiency”. 25 Nevertheless, some merits of the collective method cannot be ignored. Apart from its ethical and moral merit based on egalitarian idealism, it proved to be particularly significant for actors. In traditional theatre work most actors are generally viewed as the least powerful in the creative process. This is mainly due to the fact that they, who are not stars, are mostly excluded from decision-making. However, the collective creative process, not to mention actors’ involvement in managerial decision-making, offered them the opportunity to get involved in areas of production from which they were traditionally excluded. Rather than just learning their parts, they could contribute to creating and directing themselves. This was especially liberating for actors who had worked primarily in more traditional structures.

During the 1970s, despite its favouring of “centres of excellence”, usually building-based companies, the Arts Council maintained “the arm’s length principle”, and played the role of benevolent funding body, supporting the traditional concept of Art. Art was lofty, and thus, deserved money from the state. In Baz Kershaw’s words, “The tradition sees art in essence, as closer to the Church than the market-place”. 26 However, in the 1980s the tradition was broken by the arts policy of the ideologically uncompromising Thatcher government. The Arts began to be treated as commercial
goods in the market-place. This study now turns its attention to examine the very different arts funding and the theatre world of the 1980s.

The Arts Council under the Enterprise Culture of Thatcherism

Mrs Thatcher’s genius was to use economic means - from the sale of council houses, to privatisation of industry, to local management of schools - to defeat her political opponents. As in politics, so in culture. What’s proposed in theatre is an extension of the myth of the universal customer - the notion that there is no essential difference in my dealing with my bank, my newsagent, my doctor, my football team or my church - into the performing arts.27

The source of funding and guidance for most of the new theatre work of the 70s, the Arts Council, was gutted from top to bottom, and left, gutless, in the life-extinguishing grip of the then Sir William Rees-Mogg. The whole blossoming bough of popular theatre, which was all set to achieve so much for British theatre, was clumsily hacked off. Ideological repression and fiscal misery combined to change the geography of the arts.28

Thatcher’s government in the 1980s transformed the previous progressive cultural climate into a conservative one. As Margaret Thatcher once said, “Economics are the method to change the soul”, to transform the soul from dependency culture into enterprise culture, her government adopted an arts policy based on free market economy. The concept of the arts was redefined as commercial goods and arts organisations were forced to reshape their thought in terms of enterprise. During the 1980s, the word, enterprise, had been elevated to cultural status. In 1987, Arts Minister, Richard Luce said;

Our economic policies, after eight years in office, have led to greater prosperity: and that means more in many people’s pockets to spend on
leisure, including the arts. We are determined to make that prosperity even more widely available.

The prudent restraint of public expenditure has been a key to success. Our aim is to ensure that public expenditure takes a steadily smaller share of our national income.

The arts cannot be seen in isolation from this dramatic change in the political and economic climate. There is no argument that enables us to claim that the arts are sacrosanct and should be insulated from the real world. I would be laughed out of court if I were to claim this to my colleagues in government...

But there are too many in the arts world who have yet to be weaned from the welfare state mentality - the attitude that taxpayers owe them a living. Many have not yet accepted the challenge of developing plural sources of funding. They give the impression of thinking that all other sources of funding are either tainted or too difficult to get. They appear not to have grasped that the collectivist mentality of the sixties and seventies is out of date.39

In order to eliminate “the welfare state mentality” in the arts world, the government, first of all, made the Arts Council submit to its enterprise policy. Until the end of the 1970s, the Council more or less maintained the arm’s length principle, but with the establishment of Thatcher’s government, Tom Sutcliff argued, it “started to mouth only the government line”.30 Indeed, it was always possible that the Council’s independence could be eroded if the state had an intention to do so. This is due to the fact that state-subsidy made it possible to effectively determine the scope of the Council’s activities by diminishing its money supply. If a government adopted a hostile view of public funding for the arts, and cut the funding, the Council had no choice but to follow “the government line”.

As has been examined in Chapter I, Thatcher’s government adopted a monetary policy to stabilise the economy by reducing inflation rates. This led to the reduction of public expenditure. On coming to power, Thatcher’s government cut the budget of the Office of Arts and Libraries by £2.6m. As a result of this, the Council’s grant-in-aid was cut by £1.1 million from the grant already voted to the Arts Council by the
outgoing Labour Government. It was a big shock to the arts world, wrote Roy Shaw; “Pre-election assurances, by both Mr St John-Stevas, the first Conservative Arts Minister and the Prime Minister, that the Government would not cut arts money, have naturally been widely recalled”. The Council had to cut off 41 of its clients – the largest number of cuts in its history. This was the first signal that the Council was inevitably going to have to assume a new operational stance in the 1980s, making it realise that it was just a quasi-government organisation which was likely to be susceptible to the government’s intentions.

If the government’s squeezing of arts subsidy was the first step in making the Council subordinate to its intentions, its intervention in appointing the Council’s high-ranking officials was another step in making the Council a conduit through which the government’s free market principle could flow towards the arts. Sir Roy Shaw described his vivid indirect experience of Thatcher’s well-known phrases - that appointees must be “one of us”;

One day in 1980, Kenneth Robinson and I [Sir Roy Shaw] went for one of our routine visits to see St-John Stevas ... On this occasion, we discussed ... membership of the Council. St-John Stevas brought up the name of Alistair McAlpine (later Lord McAlpine). I demurred, on the grounds that McAlpine had publicly expressed his disbelief in public subsidy for the arts ... He [Stevas] ... smiling mysteriously said “I think you will appreciate that this nomination comes from a very high source”, with the implication that it was therefore irresistible. It was obvious that the “high source” was ... in fact, Mrs Thatcher (I later learned that McAlpine was on dining terms with her) ... I saw his appointment as an omen of the increasing politicisation of the Arts Council and the erosion of the celebrated “arm’s length principle”. 

In 1981 the Conservative Party’s Treasurer, Alistair McAlpine joined the Council. His nomination could not be questioned, because it came from Thatcher herself. McAlpine did not stay long on the Council, and made little impact, but his appointment was a sign of changes to come. Richard Hoggart, whose political stance was on the moderate left, was expected, by custom, to be reappointed as Vice-Chairman in 1981, but he failed to be so. According to Roy Shaw, “Number 10 doesn’t like him”.36

In 1982 Sir William Rees-Mogg was appointed as the Council’s Chairman. He had a conservative and commercial background. He had been educated at the English public school, Charterhouse, and Balliol College, Oxbridge. He worked for the Financial Times, and was an editor of The Times from 1967 to 1981. He was also proprietor of Pickering and Chatto Ltd., antiquarian booksellers, and a Deputy Chairman of the BBC. After 1981, he was a Director of the General Electric Company. As Sir Rees-Mogg once said; “People who get appointed have some knowledge of each other ... the unknown are not appointed”,37 he seemed to be the perfect choice for Thatcher’s deputy in the arts. In his first Chairman’s report of 1981-1982 when £1.1m subsidy cut was made, Sir Rees-Mogg already accepted well “a major change in the economic climate for the arts” initiated by Thatcher government;

... I inherited a system in which the first shock of the change in arts funding from rising to stable arts funding has been achieved. It has, I think, to be established that arts funding is not likely to rise substantially in the period ahead of us. The task of the Arts Council, and, more broadly, the community of arts will therefore be to make better use of limited resources”.38
His view that arts funding was not going to expand, so arts organisations had to develop other sources was in a sharp contrast to Secretary-General Roy Shaw’s view; “The recent reductions in real terms of the Government’s grant-in-aid to the Arts Council forced us to make unpleasant cuts to clients in 1981/2, and to our own directly funded activities in 1982/3. Many of our clients, including the largest, live in a state of constant anxiety about finance to a degree which has an adverse effect on creative work”.39 Roy Shaw criticised his new Chairman’s policy for being “undesirably close to the policy of the government”.40 In 1985 Sir Rees-Mogg was already using Thatcherite rhetoric;

The quality required for survival in this age will be the qualities of the age itself. They include self-reliance, imagination, a sense of opportunity, range of choice, and the entrepreneurial action of small professional groups. The State should continue to help the arts but the arts should look first to themselves, and to their audiences, for their future and their growth.41

Finally, in the Council’s 1987-88 Annual Report, he made a remark which might have emanated from the Centre for the Policy Studies; “I support the Council’s objective to reduce the arts world’s reliance on state subsidy and to lower the proportion (but not of course the absolute amount) of grant to the overall turnover of arts organisations”.42 Exceptionally, Sir William Rees-Mogg was re-appointed in 1987, and received a life peerage from Margaret Thatcher.

The 1983 general election, which increased the overall Conservative majority to 144, gave the right-wing government an impetus to realise its plan of driving oppositional movements and dissenting voices into submission. Just as it successfully
made miners submit after their nation-wide strike in 1984/85, in 1986 the government abolished the Greater London Council (GLC) and the metropolitan county councils which were considered to have a progressive cultural policy. The GLC was spectacularly successful in this respect, developing the ideal of cultural democratisation. However, new legislation abolished the GLC together with other metropolitan councils. The demise of the GLC has often been quoted as one of the symbols of how Thatcher's government was intolerant of voices opposed its policies.

Ken Livingstone, Mayor of London from 1981 to 1986, declared himself opposed to Margaret Thatcher. The GLC, during his Mayorship, had a track record of support of the arts that was second to none. In 1981 the GLC inherited, from the Conservative administration, an arts budget of just over £9m, of which approximately £3m had been shared between the English National Opera, London Festival Ballet, and the London Orchestral Concert Board. The Conservatives had focused its funding towards large-scale "centres of excellence" such as the National Theatre, the Hayward Gallery. Under Labour, Livingstone refused to prioritise artforms. The GLC funded groups in relation to the audiences that the groups themselves wanted to reach. Therefore, its arts funding was based on community arts activities for such groups as blacks, Asians, other minorities, gay men, women, the elderly, the disabled, and the unemployed. In addition, it adopted a wider definition of the arts than the Arts Council's to include photography, video, electronic music and community radio, and sought to re-radicalise all artforms by allowing representation on its Sub-Committees by the most active practitioners.
Numerous community arts groups representing a variety of artforms sent applications for grants to the Sub-Committee. For instance, for about four months from January to April 1983, the Committee received 1,500 applications. Among them more than 400 received subsidy. Accordingly, the GLC’s arts budget had to be increased. By 1984 it had more than doubled to over £20m. The GLC was particularly generous to ethnic arts groups which had had little or no voice in the traditional structure of patronage. The GLC’s funding for them grew from £400,000 in 1982-83 to £2m in 1985-86, which proved a powerful stimulus to black theatre, benefiting companies such as Temba, Tara Arts, Black Theatre Co-operative, and Talawa.

Besides direct financial support, the GLC organised its own festivals and events in order to project the GLC’s image as a progressive, caring, socialist council. Within the GLC the radical counter-cultural climate of the 1970s was still alive. The arts were often co-operatively and collectively called into service as a medium for a political message, such as for the GLC’s Peace Year (1983), London Against Racism (1984) and the Jobs Year (1985). The collective nature of this encouragement of the arts was in marked contrast to the privatising, individualistic, enterprise approach of Thatcherism, where the freedom of the market went hand in hand with the increasing state authoritarianism.

One clear example of the GLC’s attitudes towards the arts was its confrontation with the Arts Council which had already become an arm of government. In 1985 the Council took the sole responsibility for the Hayward Gallery in the South Bank arts complex. For the GLC, the Art’s Council’s exhibition programme was not in harmony with its cultural policy. It saw the Council’s show as implicitly sexist and racist.
because it had not sufficiently represented the works of women and black artists. The GLC threatened to evict the Arts Council - the sitting tenant of the gallery, but was unable to do so because the existing contracts took the tenancy to May 1986. The right-wing government must have regarded such a resistance as dangerous. Indeed, the abolition of the GLC was already a 1983 manifesto commitment by the Conservative Party. When rate capping was introduced in 1985, by which central government set a limit to the amount local authorities could raise in local taxes, the GLC could not favourably fund the arts as it has hitherto. The GLC was finally abolished by the government in April 1986. D. Keith Peacock wrote; “Its mortal sin resided in the fact that it was one of the few examples of a coherent Left-wing ideological opposition remaining in England, or, as the government would have it, a Labour-dominated, high-spending council at odds with the government’s view of the world”. The abolition of the GLC indicated a clear example of the authoritarianism of Thatcher’s government which permitted no opposition.

The loss of funding by both the GLC and the metropolitan councils was detrimental to the Arts Council. In the fiscal year of 1985-86, the Council received only 2.5% increase in its grant plus £16m to cope with funding the arts in the metropolitan areas, in spite of the fact that it had also identified £35m spent by the metropolitan counties for the arts. As a solution for its financial problem Sir William Rees-Mogg, with his commercial background, attempted to establish the Arts Council more like a business organisation. In 1983, he had already chosen the 36-year-old director of the Association for Business Sponsorship of the Arts (ABSA, 1978-1983), Luke Rittner, as the Council’s Secretary General to succeed Roy Shaw, despite 50
members of the Council submitting a petition to Roy Shaw to express their concern about the strong possibility of the Council becoming a more business-like institution.

It was not long before their concern was proved correct. The proof was seen with the Council’s publication of *The Glory of the Garden*, subtitled as *The Development of the Arts in England: A Strategy for a Decade*. This was the first major document for the future arts world by the Arts Council, intent on assuming a Thatcherite operational stance. There were many proposed strategies in the document. One of them was to strengthen partnerships in funding with local authorities and sponsors to, in Sir Rees-Mogg's words, “ensure that the arts did not suffer from the abolition of the metropolitan counties”.

The most significant strategy of *The Glory of the Garden* was to confirm that the Council would conduct the distribution of arts subsidy primarily in the Thatcherite business terms - investment, value for money, efficiency. As part of this transition toward business enterprise, the Council, first of all, began to restructure itself - one of the main parts of the Council's strategy review outlined in *The Glory of the Garden*;

The decisions which are announced in this document represent the first, and the most important, stage in the Council's strategy review. ... The council acknowledges ... that the structure of its organisation requires review, all the more so in the wake of the new development strategy. During the next twelve months, the Council will be considering its internal organisation ... In the course of the internal review, the Council will be considering whether it is beneficial to retain its traditional department structure. It will also be reviewing the structure of its advisory panels and committees.
As the Council itself stated, its restructuring “is designed to enable it to deal more effectively with the complex business of supporting the arts”. A new Management Team was created, consisting of the Secretary General, Deputy Secretary General, Financial Director, and a new officer, Director of Arts Coordination who was “responsible for evaluation and assessment of clients”. A Policy and Finance Committee was reconstituted with the intention of making the Council more effective by its senior managers overseeing the strategic policy and financial decision-making of the whole system. A Marketing and Resources Department was also newly established primarily to take responsibility for its clients’ marketing and sponsorship to help them raise income from other sources. These structural changes aiming to increase managerial effectiveness were coupled with retraining and reskilling the Council’s officers to meet the needs of the new reality. A staff appraisal system was instituted. While a number of staff had already left, others, notably in the Marketing and Resources Departments, had been recruited.

Following *The Glory of the Garden*, the Council published a couple of important prospectuses. When it asked for more money to cover the effects of the abolition of GLC and the metropolitan councils, it published *The Arts: A Great British Success Story* in September 1985. When the Council was seeking a subsidy increase in 1987-8, it published another prospectus - *Partnership: Making Arts Money Work Harder*. It was almost tantamount to a business prospectus, tempting the government to invest more money in, what the Council called, the “arts industry” where the invested money would be returned to the government in various forms such as taxes and income from the tourist trade.
In this sense, it was not surprising that the Council placed its funding priority on “centres of excellence”. Indeed, in *The Glory of the Garden*, it proposed setting up a regional “national theatre” in the 11 “Major Areas of Population” such as Leeds, Manchester and Birmingham. As the document itself emphasised the fact that most of these areas already had “receiving houses for large-scale productions toured with Arts Council funds”, the Council strongly felt the need to consolidate its traditional practice in the 1980s. This was precisely because, under the constraint of arts subsidy, the capacity of ticket yield became more and more important.

The big companies such as the two national theatres, with their large seating capacity, their geographical advantages, and their reputation, could attract large audiences. By contrast, small-scale touring companies could not attract as many. Red Ladder, in the first half of the 1980s, was constantly struggling to find an audience because the public, in the conservative political climate, began to lose interest in political issues. For instance, Red Ladder’s audience attendance figures in the mid-1980s were seriously reduced, so the company often performed to only 20 or 30 people.

In 1982 the Royal Shakespeare Company had moved into the huge concrete edifice of the Barbican in the City of London. The following year a government-ordered investigation into the RSC, the Priestley Report, concluded that, despite government suspicions to the contrary, the company was efficient but underfunded by about £1m a year. Thatcher’s government endorsed a cheque to the RSC. As the decade progressed the RSC and the NT took up an increasing proportion of the total arts subsidy allocated for theatre, with 47% on average, even though their subsidy
dropped in value in real terms. By the end of the 1980s the NT received nearly £10m in
subsidy, and the RSC £8m. If the high level of subsidy in the 1970s was customarily
justified by the fact that the two national theatres set the artistic standards by which the
rest of British theatre could be judged, the high level in the 1980s was justified by their
role as market leaders, their significant economic value to the nation through their
contribution to national tourist trade. The national theatres were set by the Council as a
new market-driven model for the subsidised theatre, as the RSC transferred its
production *Nicholas Nickleby* to Broadway, making a huge profit for the company. For
theatre companies pursuing ideologically oppositional theatre practices, such a model
was “a monstrous form of interference”.

The Council, however, unequivocally introduced the market-driven model for
all its clients. This was the most important strategy outlined in *The Glory of the
Garden*. The model was clearly demonstrated by its three-year funding plan. In
November 1987 the Arts Minister, Richard Luce, announced that he would
subsequently provide firm figures of arts funding based on a three-year rolling
programme. In a letter to the Council’s Chairman, he hoped that the Council would
accordingly formulate a three-year plan. The Council welcomed the proposal because
of its stable nature over three years. As it itself stated, the plan aimed, however, to
promote business management for “the financial self-sufficiency of arts organisations”;

If the Arts Council is to help arts organisation in this task, it must become
less of a traditional funding body, mainly concerned with delivering
government money to a portfolio of clients, and more an advocate, an
adviser and a policy-maker. During the life of this plan, it will spend much
of its energies on the provision of advice and information; the exchange of
ideas and examples of good management practice among arts organisations; the training of arts managers ... 51

All clients were required to make three-year business plans based on the criteria outlined by the Council and submit them to the Council which would appraise them. In February 1988, the Council announced that it was going to review 21 touring theatre companies which were on the revenue grant list to examine whether they were fit to compete in a new era of arts business. In Luke Rittner's words, this was "a periodic in-depth appraisal of each client's operation". He added; apart from "artistic appraisal of the client's work ... the team will be looking to the financial implications of both current activity and of future plans. Each appraisal team is asked to review marketing, education and outreach". Based on the assessment conducted by "the appraisal team", the Council defined broadly three groups. The "best" of the groups, which fulfilled the criteria the Council had set, would be promoted to three-year secure funding status. Those which the Council could not rate confidently, but which were worthy of a second chance, would be put on annual funding list. Those which failed would be made to apply for project (short-term) status.

The list of criteria was so long and complex that without a proper help from trained consultants, it was difficult to receive three-year secure funding. For example, in The Glory of the Garden there were 14 individual criteria, listed from 'a' to 'n', demanding not only highly abstract quality standards but also education policy and financial ability. It said that "For the foreseeable future the criteria remain as follows":

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The Council's message was simple; follow the Council's business plan faithfully, otherwise, you will suffer. If the clients wanted to be awarded three-year funding status, they had no choice, first of all, but to meet the required criteria with three-year business plans setting financial goals and a realistic strategy for achieving them, and a schedule of specific tasks - marketing, accounting, cost-saving and so on. According to John McGrath, the business plan was "the most dangerous thing ... and a monstrous form of interference".  

As the 1980s was progressed, the shift of the arts funding pattern from annual stable revenue grants to short-term project grants became a general trend. Under the situation, such a theatre company as 7:84 found it increasingly difficult to carry on long-term community-based cultural experiments. In addition, as a way of alleviating financial problems in the small-scale companies, the Council, in The Glory of the Garden, set another strategy which made national or regional "centres of excellence" take responsibility for co-ordinating the small-scale companies. Since then, this has been a common practice between the mainstream and the alternative theatres as a way of extending arts subsidy by stretching resources under the constraint of arts funding.

However, this strategy could cause a serious problem for the alternative company — a loss of its raison d'être. In 1991, Gillian Hanna, a leading member of the Monstrous Regiment theatre company, recalled this time:

As we continued to struggle for our financial existence during the 1980s, co-productions with larger institutions became a lifeline in the maintenance of our artistic standards. ... However, small entities taken under the wing of large institutions are in danger of being swallowed whole, and we felt we were constantly juggling our economic needs against our desire to work on our own terms.  

In this sense, it is understandable that John McGrath wondered "if Mrs Thatcher or her advisers have not studied Gramsci better than the left". D. Keith Peacock verifies this by claiming that the effect of what they had done was "political";

For companies that had shunned the traditionally hierarchical management structure of theatre and had anarchistically constituted themselves as 'co-operatives' during the late 1960s and throughout the 1970s, the effect was political.  

The political effect is clearly demonstrated by the two cases of 7:84 (Scotland or England) and Red Ladder. John McGrath was told that funding from the Arts Council would cease from the end of 1988 unless administrative changes were made. These included, in McGrath's words, "replacing most of the company's board with people with ... business skills, public relations expertise, and accountancy and legal skills; people who would be politically objective about the work of the company".  

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McGrath, a liberal socialist as he himself admitted, could not accept the imposition by the Council. He resigned in 1989.

As for Red Ladder, in the first half of the 1980s, for various reasons such as the very conservative political climate, Red Ladder was deeply in trouble. In 1985, the Arts Council, together with Leeds City Council and Equity put forward a rescue package on the condition that the company should, first of all, abandon its collective working principle. To survive, Red Ladder had to accept that, and has since been running on the basis of a hierarchical management with the post of Artistic Director. As with the Greater London Council, these two cases also demonstrate the consistent imposition of the right-wing ideology on the arts. Later, this study will undertake a more detailed examination of Red Ladder as a case study of how political theatre companies, on losing their ideological base and significance, have had to modify themselves in the conservative cultural and political climate since Thatcher’s government. According to Baz Kershaw’s analysis of alternative theatre in the 1980s, although there was a significant increase in the number of alternative companies from 143 in 1980 to 272 in 1990 and the alternative theatre was more diversified in kind, these increased and diversified companies could not be seen as alternative in an ideological sense. Rather, these companies were “alternative’ only in the theatrical sense”. Kershaw divides the companies into eight categories from the least ideologically radical to the most ideologically radical. According to his analysis, there is little ideological significance up to the sixth category. He labels even the most radical as a “soft ideology” group, owing to its “general tendency to soft-pedal socially critical issues”, investigating “issues of gender, sexuality, race and, increasingly, the environment”. He gives the main reason for this and sums up;
... the variety was more apparent than real as the survival of new groups often depended on the marketing of 'safe' products, particularly for the arts centre circuit ... The reduction in revenue grants ensured that any companies would add to a growing 'underclass' struggling to make a unique mark in the alternative theatre market-place. The general effect of such commercialisation was to push alternative theatre further into the deradicalised fragmentation ...

It is depressingly clear that, as a result of these trends, overt political theatre became increasingly hard to sustain in the 1980s. A number of leading companies had their grants cut and were forced to close down, including 7:84 (England) ... Hence, the key focus of explicit ideologically oppositional practice shifted to the women's, gay, black, and special needs groups \(^60\) (such as Scarlet Harlets, the Theatre of Black Women, and Graeae Theatre Company), and to some of the community theatre companies.\(^{61}\)

By the end of the 1980s, just as Britain saw a tendency towards ideological monopolisation in which socialism as an alternative ideology to capitalism was almost “dead”, so it also witnessed a tendency towards theatrical monopolisation in which left-wing political theatre had also almost collapsed. Many overtly political touring companies actively working during the 1970s such as Belt and Braces, 7:84 (England), and North West Spanner no long existed. Some of them such as Red Ladder, CAST and 7:84 (Scotland) changed and modified themselves as less-overtly ideological companies.

No matter how politically effective the British political theatre has been judged, what it had attempted to do in the 1970s is significant, at least, in the area of accessibility. It had attempted to establish new working-class cultural values against dominant middle-class values by taking theatre to working-class communities. It had demonstrated that theatre could become a medium in which culturally alienated audiences enjoyed shared cultural experience. In this sense, the political theatre had.
consciously or unconsciously, earnestly followed one of the criteria outlined the Arts Council - increasing the accessibility of theatre to the general population. In this sense, it is ironic to see its destruction by the Arts Council. It is also regrettable that the left-wing political theatre movement did not develop any further as a popular oppositional theatre that would give voice to the concerns of ordinary people.

Thatcher's efforts to make the enterprise spirit prevail in Britain seemed to gradually bear fruit in the arts world. By the mid-1980s, the arts had become recognised as a major sector of the economy. John Myerscough, who published a book entitled *The Economic Importance of Arts in Britain*, wrote in 1988; "... argument [has] moved on to a higher ground, by relating the role of the arts to the fact that we live in an era of industrial restructuring characterised by the growing importance of the service industries". 62

In retrospect, the early 1980s' stress on the economic value of the arts reads like special pleading by those defending the arts against threatened reductions in public spending. ...

Most fields of the arts, after a lull in the 1980s, were trading at higher levels in the mid-1980s, than prevailed some 10 years previously. Consumer spending on admissions to arts events and attractions was estimated at £433 million in 1985/86 of which £256 million was paid for entrance for theatres and concerts ...

Outside London's West End the Arts-Council-funded producing theatres in the rest of the country saw attendances rise by 12 per cent between 1981/82 and 1985/86. Previously, attendances had been falling ... . Thus, the mid 1980s saw ... the subsidised producing theatres attracting record audiences.

The issue is now not so much whether the arts have an economic dimension. Rather, what is the specific and distinctive economic contribution the arts can make? How can this be most appropriately encouraged and exploited? And what is the relevant policy frame in which to relate the interests of the arts to wider economic aims? 63
Accordingly, he claimed that “The [future] process must start from a recognition of the economic value of the arts” by emphasising their importance as; a major economic sector in their own right; a high value added sector; a major export earner; a major direct employer; a significant generator of indirect employment. By the end of the 1980s, the British arts world was, as Myerscough argued, in their importance to the national economy equal to such giants as cars or fuel and power. According to his findings up to 1988, the arts had a turnover of £10 billion and a value added of £4b. Their overseas earning was estimated at £4b making the sector the fourth largest invisible export earner. In addition, the arts were responsible for a quarter (£3.1b) of total earnings from tourism in the UK. Furthermore, almost 500,000 people in the UK were employed in this sector with a 26% total employment increase over the period 1981-86. At the same time, the sector’s economic linkages with other industries and the spending of arts customers generated an “arts multiplier” effect that supported a further 175,000 jobs in the wider national economy.

For those who saw arts from an economic viewpoint like Myerscough, a change in arts made by Thatcher’s government in the 1980s could be seen as being positive. Some economists, such as David Sawers, demanded in 1993 extreme measures for radical change. David Sawers, a writer and consultant who specialised in industrial economics and who spent 18 years as an economist in government service, argued in his article - Should the Taxpayer Support the Arts? - that even the government investment with subsidy to attracting tourists is an “unjustifiable spending programme”. His point is that “The Arts Flourish Without Aid” as “They survived in this country for centuries before the Arts Councils was established”, and that only the
market and commerce can be an index of what kind of arts should be available to the British public. Thus, the government should “disengage” itself from the arts, and subsidy should be dismantled by abolishing the Arts Council. He suggested “a ten-year process” of dismantling arts subsidy, during which the subsidised companies would transform themselves into more competitive commercial ones by reducing their costs and increasing their prices, and by increasing their income from donations. To this end, finally, he urged “firm government action” to be taken immediately;

A government that wished to adopt the proposed policy [Disengaging Government from the Arts and Dismantling subsidies: a Ten-Year Process] would have to be strong willed. It is therefore unlikely that the present Government will be attracted to it. If it is not prepared to take such strong steps, it should at least proceed to reduce the level of aid given to the performing arts and to the museums and galleries. ... The government should also seek to reduce the scale of the present administrative superstructure for the arts. If it does not abolish both the Department of National Heritage and the Arts Council, it should, at least, abolish the Department. 64

Considering the arts from the purely economic point of view, David Sawers has reason to argue and recommend such changes. On the other hand, he should, however, also understand that cuts in arts spending would not be cost-effective to the economy as a whole. A specific case indicates this;

A study by BECTU showed that a £500,000 cut in subsidy to a major regional theatre would eventually lose the Treasury £2.15 million when account was taken of VAT on tickets; the theatre’s expenditure on wages and services; the theatre employees’ expenditure on taxes and in the community; and redundancy payments, lost taxes and unemployment benefit among both employees and the community. 65
In this sense, not David Sawers but Luke Rittner was right when he asked the government for a real financial increase for the Council in 1987, because he was concerned that the arts, which, in his view, was “the unique and precious commodity”, would be damaged if the increase rate was below inflation.

In addition, David Sawers does not even mention the potential problems resulting from his argument for seeing the arts in economic terms. He may be either negligent or ignorant in understanding the arts in artistic terms, or in pursuit of his argument, he may have consciously avoided mentioning the negative aspects which arise when the arts are driven by the market. Scholars and theatre workers did not hesitate to show their concern about the impact of economic Thatcherism on the theatre of the 1980s. In a conference devoted to the theme of ‘British Theatre in Crisis’, held on 4 December 1988, 95 theatre people, from Steve Abrams to Arnold Wesker, signed a declaration. Here, they confirmed that “a free market economy and private sponsorship cannot guarantee the necessary conditions for theatre to fulfil its many functions”. In Cambridge another theatre conference, entitled ‘Theatre under Threat?’ on 20-21 October 1990, critical voices were directed at the detrimental effects of “limited amounts of Arts Council subsidy” and “business sponsors” under the Thatcher government on “the national companies as well as most fringe companies”. Sir Peter Hall offered the reason;

Art and market forces never mix. Art is necessarily innovative, unexpected and frequently (particularly at its inception) unpopular. ... To make safe and consistent money out of art, it must be dumped down to the common denominator. Money can then be made by providing the expected stuff for the expected public. It is the principle of McDonald taken away from catering and applied to creativity.
Artistic Directors, who were thought to have devoted most of their time to enhancing the spiritual and aesthetic quality of life, could not any longer spend the same time. For instance, owing to the three-year business plan demanded by the Arts Council, they were now busy with business and managerial work - having to have efficient marketing and administrative organisations and to seek diversified funding under the pressure of having their arts subsidy reduced. Now, they were no longer encouraged to think of the arts chiefly as a public good, but to think of them as a commodity driven by consumerism. Simon Trussler wrote that in the 1980s, “arts administrators frittered away disproportionate time upon the tactful, usually unrewarded, composition of applications for business sponsorship, they thus found it politic to speak in terms of investments and returns, of markets and invisible exports”.  

These business practices, in turn, affected theatre programming and playwriting. Theatre companies consciously avoided productions which required many actors. Jenny Topper, director of the Hampstead Theatre, agonised over the means of financing a new play by Jennifer Philips that demanded a cast of 10. She said; “the optimum cast-size is now ‘no more than six and preferably four’”71 Even the National Theatre, “which had been the venue chosen by Brenton, Hare and Bond”, found it increasingly difficult to stage their “‘public plays’ that represented social conflict in an epic manner requiring a cast of twenty or more”.72 Under the circumstances, it is very difficult to expect playwrights to put many characters in their plays. If they dared to do
so, their plays had little chance of being staged. As D. Keith Peacock points out, this led to another ideological weakening:

the necessity of producing plays containing between two and four characters had an ideological outcome in that it militated against left-wing political plays whose dramatic discourse demanded the representation of society in action and, therefore, often required large casts. In contrast, plays with small casts generally focus on individual experience and personal psychology rather than the interaction of social groups and therefore reflect bourgeois individualism ...

There are other detrimental aspects. The most significant one related to the problem of new writing in the 1990s as a direct effect of economic Thatcherism. This will be dealt with in the next chapter which will examine the state of the arts and theatre world in the 1990s.
10 Ibid.
12 Ibid.
18 The rise in these two categories - nationals and alternative - came as a result of a fall to building-based production companies - mostly, the repertory theatres which were 62% (1970/1) and 41% (1980/1).
19 John McGrath, quoted from 'Ten Long Years', *New Statesman & Society*, 5 May 1989, p. 43.
22 John McGrath, 'The Theory and Practice of Political Theatre', *Theatre Quarterly*, vol. ix, no. 35, Autumn 1979, p. 44.
23 Richard Seyd, a founding member of Red Ladder pointed out this problem of the company's collective working process; "In practice it meant that those with the strongest personalities (the more pushy men) dominated the group. Through the course of an argument those in a minority eventually put up their hands and make the decision unanimous even when they did not agree with it, just so the work could continue". [Richard Seyd, 'The Theatre of Red Ladder', *New Edinburgh Review*, no. 30, August 1975, p. 42]
30 Tom Sutcliff, quoted from *The Bone Won't Break*, *Op cit.*, p. 37.
31 The assurances were printed in Conservative Discussion Paper published in August 1978 and edited by Norman St John-Stevas. The Paper emphasised that under Labour, expenditure by arts bodies, large and small, had been "pared to the bone". Thus, it affirmed that "The experience of recent years shows that we cannot continue to run the arts on a shoe-string much longer, or the shoe-string will snap". [Conservative Discussion Paper, quoted from *The Arts Council of Great Britain: Annual Report and Accounts, 1979-80*, p. 5]
Throughout the 1980s, arts funding was tightly squeezed. However, Mrs Thatcher claimed that during her Premiership arts funding was actually increased. In an analysis of the Council's grant-in-aid for the performing arts from 1979 to 1990, D. Keith Peacock repudiates her claim; "It would appear... that, on average, arts funding remained slightly ahead of inflation... If, however, the additional inflationary pressures experienced by the arts, particularly the performing arts which are highly labour-intensive, are taken into account, the overall increase in the Grant-in-Aid is somewhat less than inflation and, therefore, in real terms, represents a cut". (D. Keith Peacock, *Thatcher's Theatre: British Theatre and Drama in the Eighties*, (London: Greenwood Press, 1999), p. 44)

As has been noted in the Chapter I, the authoritarian state intervention and its advocacy of freedom in the economy was another contradictory example in the arts world. Inevitably, this resulted in casualties in the arts such as Red Ladder and 7:84.


Ibid., pp. 43-44.


Ibid., pp. 177-79

Theatre scholars such as Graham Holderness, who analyses this change or modification in view of post-modernism, arguably claims that theatre dealing with interests of 'particular oppressed groups - women, racial and ethnic minorities, lesbians and gay men, people with disabilities' can be called 'political theatre, in the changing age of post-modernism which "requires a theoretical destruction of 'macro-narrative'‘ of Marxism and "the re-instatement of cultural diversity and pluralistic perception". He gives a reason; “if the 'experience of a woman, a homosexual man, a black person, is one of oppression, victimisation, then that can either be explained psychologically... or politically - they are subjected to structures of injustice and exploitation built into the political systems”. He concludes; “Against the traditional notion that 'political' drama has to be about revolutions, strikes, demonstrations,
pickets, factory occupations and police brutality, we can set the modern recognition that plays about sexism in language, or male prostitution, or the personal experience of racism, have just as much claim to the status of ‘political theatre’’. [Graham Holderness (ed.), The Politics of Theatre and Drama, (London: Macmillan, 1992), pp. 12-14]

61 Ibid., p. 179.
63 Ibid., pp. 2, 17, 33.
64 David Sawers, ‘Should the Taxpayer Support the Arts?’, (West Sussex: Institute of Economic Affairs, 1993), pp. 7-41.
68 Ibid., pp. 188-9.
73 Ibid., pp. 51-52.
Chapter III: Thatcherism's Impact on the Theatre in the 1990s

Introduction

People have been encouraged to view the notion of public funding as old hat and contemptible; reductions in Arts Council grants confirm this impression. Now more than ever, we who work in publicly funded theatre inhabit a uniquely impossible financial ecology. Our whole philosophy is based on breaking even; indeed we could hardly be entitled to public money were we to make huge profits. But what this means is that we have no cushion against failure. One show that doesn’t work can push us over the brink, and working within these restrictions inevitably means reducing the number of plays (particularly new plays), reducing the size of companies, and a general lowering of standards to a point where it not only becomes visible, but destructive.

Just as Thatcherism has made a significant impact on British politics and economics in the 1990s, so it has also made a big impact on the arts and theatre. This chapter will examine the impact on the theatre world of Major’s and Blair’s governments. The two governments have held almost the same view on the arts as Thatcher’s government. They have regarded the arts as an industry. They have continuously restrained spending on the arts in the 1990s, which, in turn, has further forced theatre companies into the competitive market economy.

This chapter will examine the impact of political and economic Thatcherism on the theatre world; on musicals; on new writing; on regional theatres; on the political theatre movement. A boom of musicals since 1980s has been a direct reflection of the dominance of Thatcherite materialistic cultural values. This chapter will investigate the
materialistic aspects of the musical both in the manner of its production and as a means of moneymaking. In the early 1990s, it was said that new writing was in a deep crisis. I shall also explore its critical state in terms of the political, financial and cultural impact of Thatcherism. From the mid-1990s, a group of young new playwrights began to emerge. These young writers in outlook and experience might be described as Thatcher's children. I shall examine in what sense Thatcherite values have affected the contents and forms of their plays. As a direct result of Thatcherite theatre economics, most regional theatre companies began to suffer severely in the 1990s. I shall examine the gloomy state of the regional theatre which was a direct result of a squeeze on arts funding throughout the 1990s, and also briefly look at the moribund state of the political theatre as a consequence of the continuous process of ideological monopolisation of capitalism.

Theatrical Conservatism and Populism

It seems that any leader who came to power in November 1990 could not escape considerable economic problems. Under Margaret Thatcher, while the arts had responded to market economy by relying more on the box office and business sponsorship, she had not actually created suitable economic conditions for its survival or good health. What she left, instead, was an economic recession with sharply rising unemployment and declining growth, and an adverse balance of trade.
Surprisingly, despite the recession, a couple of years into Major’s regime, subsidy for the Arts Council of the Great Britain (ACGB) was increased from £175.79m in 1990/91 to £221.2m 1992/93. Some said that “Majorism has a kindlier face towards the arts”\(^2\) However, the quality of the increase needs examining.

During that period, a large proportion of the increase was dedicated to short-term unstable project funding. As has been illustrated, a shift away from annual revenue grants towards project grants has been a trend, after the Council’s strategic document, *The Glory of the Garden*. In 1991-92, the total funding for drama projects was £1.79m. In 1992-93, it reached £2.45m - an increase of £660,000. According to Ian Brown and Rob Brannen who evaluated the *Cork Report*, ten years after its publication, there was a significant increase in funding for single projects from 1986/87 to 1993/94. The problem was, as the report confirmed, that this increase was “effectively gained” by the Drama Projects sector as it “lost the responsibility of funding for some twenty of its most long-standing clients”. Another problem was that project funding “was always a highly competitive area. Only 25 per cent of applications actually made at present succeed in gaining the projects funding required”\(^3\).

More importantly, however, Major’s “generous” period did not last long. The table below shows changes in arts subsidy for the Arts Council of England (ACE, now devolved from the ACGB) from 1992/93 to 1996/97;
Changes in Parliamentary grant-in-aid for the arts in England from 1992/93 to 1996/97

<table>
<thead>
<tr>
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<th>Grant in Cash terms £m</th>
<th>Grant in real terms (at 1993/94 values) [1] £m</th>
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<tbody>
<tr>
<td>1992/93</td>
<td>185.8</td>
<td>191.6</td>
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<td>1996/97</td>
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During the period listed above, the ACE received almost standstill subsidy in cash terms. However, in real terms with consideration of inflation figures, there was a 15% cut. Particularly, in the last year of its existence, in 1994, the Arts Council of Great Britain (ACGB) experienced a huge cut, £3.2m, which in turn resulted in a cash cut of £3.6m for 1994/5 of the Arts Council of England. This was the Council’s biggest cash cut since its inception in 1946. What was worse was that the cut came at a time when “box office returns were decreasing as a result of the recession and local authority funding and sponsorship were also under pressure”. The former chairman Lord Gowrie (1994-98) despairingly commented in 1994 that “at present the Arts Council is engaged not in nurturing the arts ... but in staffing an increasingly crowded casualty ward”. It was not surprising to see a squeeze on arts subsidy under Major’s government because there was little difference in such policies as monetarism between Major’s government and the Thatcher’s government.

The immediate effects of the cut in 1994 was significant in the theatre world. Firstly, even the total projects grant decreased from £2,299,488 in 1993-94 to
£1,675,137 in 1994-95. This led to an abandonment of many projects; "New writing and drama projects bore the brunt of the funding reductions ... Compared with the previous year, cuts in project grants cost 177 weeks' touring and 1,738 weeks' employment". In addition, as Ian Brown and Rob Brannen indicated, the Council tried to "protect established companies ... at the expense of projects and other new development".

Indeed, theatre companies with little umbrella protection of the Arts Council suffered. Besides hardship from cuts in arts subsidy, there were two other reasons for this. One was the rate-capping, introduced by Thatcher's government in the mid-1980s, which was a government-imposed measure intended to restrict local authorities' spending. Because of the rate-capping, those items on the Council's budget which were not mandatory, like the arts, were among the most likely to be cut. It was not surprising that they were reluctant to spend much money on the arts which, in their view, had a dubious value. The rate-capping pushed most of regional theatres further into financial hardship.

Moreover, the Arts Council supported the Wilding Report which contained the controversial proposal of devolution of arts funding. Richard Wilding, a former head of the Office of Arts and Libraries, in his report, *Supporting the Arts* (1989), argued strongly for the devolution of funding responsibility for the Council's clients to the RABs, including most of the regional companies and all of the alternative theatre groups. The then Arts Minister Richard Luce announced the devolution strategy proposed by the Wilding report on 13 March 1990. By 1992 "twelve Regional Arts Associations have given way to ten RABs". Since then, the ACGB's (the Arts Council...
of England after 1994) main funding responsibility has been gradually shifted to
concentrate on the leading national theatres such as the Royal Opera House and the
Royal National Theatre and some “centres of excellence” in the regions. The RABs
have been responsible for most of regional and community companies. By early 1995,
the Council devolved responsibility for the nation’s network of 41 regional theatres to
the RABs. Most of regional theatre companies resisted the proposal because they saw
it as demotion from national to regional status, but only a few won. Their protest was
understandable because while the devolution plan promised the Arts Council’s support
for the leading companies and a few regional “centres of excellence”, as Lizbeth
Goodman pointed out, “the effects [of the policy] on touring and small scale
community theatres had not been adequately addressed”. It was not difficult to
assume the effects in the light of local authorities’ rate-capping.

This study has already closely examined how from its formation to the end of
end of 1980s the Council had tended to give funding priority to the “centres of
excellence”. It has also examined the two national theatres’ high level of funding was
justified by their role as market leaders, whereas in the 1970s the high level was
customarily justified by the fact that they set the artistic standards by which other
theatre companies could be judged. In the 1990s under Major’s government, this trend
was still going on. In 1990-91 the Royal National Theatre’s (RNT) box-office income
was increasing despite the onset of recession. In 1991-92, it received a 10%-increased
grant. Its financial turnover peaked at over £29m in 1992-93, with box-office receipts
up 49% on the previous year. In 1993-94, an operating surplus of over £0.5m was
recorded. In contrast to the RNT, in 1990-91 the Royal Shakespeare Company (RSC)
had a severe financial problem with an accumulated deficit of over £3m. However, the
Arts Council generously remedied this as it had customarily done. The Council’s appraisal team, concluding that the prevailing levels of subsidy were inadequate to sustain the RSC’s operation, offered an 8% increase in the company’s basic grant plus enhancement funding matched by the Corporation of the City of London. Over the subsequent years, with the Council’s generosity, the RSC managed gradually to reduce its accumulated deficit, and in 1994-95 an accumulated surplus of £0.5m was recorded.

The two national companies between them received almost half [between 46% and 50%] of all ACE and RABs drama funding in the early 1990s. Particularly, in 1994-95, these two accounted for 73% of ACE drama spending.¹²

My study has also examined the fact that the Arts Council, in the mid-1980s after the publication of its strategic document, *The Glory of the Garden*, set up regional “national theatres” in such cities as Leeds and Manchester where large theatre buildings already existed. The Council’s action was mainly due to its realisation that the capacity of ticket-yield became more and more important under the constraint of arts subsidy. However, this meant the beginning of the Council’s discrimination in arts funding within the regional theatre. While evaluating the Cork Report, *Theatre Is For All* (1987), Ian Brown and Rob Brannen, in 1997, ten years after its publication, recalled the list of regional theatres which had been likely to have to close in the two years following 1986, including the Victoria Theatre, Newcastle-under-Lyme, the Theatre Royal, York, Salisbury Playhouse, the Nuffield Theatre, Southampton and Hampstead Theatre. Although none of these closed, Brown and Brannen asked again “a question as to how this survival was assured”.¹³ One of the recommendations by the Cork Report, which was actually adopted by the Arts Council Drama Department (ACDD), was “parity negotiations” – negotiations with local authorities in an attempt
to draw more money in from the local authorities in order to balance out discrepancies in funding levels between most regional theatre companies and regional “national theatres” whose funding was targeted by the Council. Despite “parity negotiations”, Brown and Brannen revealed the consequence;

During the period [1986-1996], then, there was much shifting of resources from one theatre to another as a result of the process of parity negotiation ...
And there were significant losers as well as gainers\textsuperscript{14} by this process ... \textsuperscript{15}

Regional theatre companies which were not included in the “gainers”, in other words, which could not receive umbrella protection from the Arts Council, suffered seriously in the adverse situation in the early 1990s - economic recession, local authorities’ rate capping and the Council’s devolution programme, and the government squeeze on arts subsidy. This is illustrated below by statistics of about 200 mainly regional theatres which were members of the Theatrical Management Association (TMA);

\textbf{TMA member theatres, 1990/91-93/94} \textsuperscript{16}

<table>
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<tr>
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<tbody>
<tr>
<td>Performances</td>
<td>31,856</td>
<td>29,979</td>
<td>29,145</td>
<td>25,404</td>
</tr>
<tr>
<td>Attendances (m)</td>
<td>13.4</td>
<td>12.1</td>
<td>11.9</td>
<td>10.6</td>
</tr>
<tr>
<td>Gross ticket revenue (£m)</td>
<td>105.4</td>
<td>105.7</td>
<td>110.9</td>
<td>108.9</td>
</tr>
<tr>
<td>Revenue after VAT (£m)</td>
<td>91.6</td>
<td>89.9</td>
<td>94.3</td>
<td>92.6</td>
</tr>
<tr>
<td>Average ticket price (including VAT) (£)</td>
<td>7.84</td>
<td>8.72</td>
<td>9.32</td>
<td>10.24</td>
</tr>
<tr>
<td>Increase in ticket price on previous year (%)</td>
<td>-</td>
<td>11.2</td>
<td>6.8</td>
<td>9.8</td>
</tr>
</tbody>
</table>
Over the four years during which the figures were collected, performances fell by more than 20% (6,400), and audience attendance dropped sharply by almost the same 20% (2.8 million). Revenue before VAT was reported to increase by only 3%, but the increase in the rate of VAT in 1991 meant that the increase after VAT was only 0.6% from £91.6m in 1990/91 to £92.6m 1993/94. The Council’s 1993-94 report warned that “one of the nation’s greatest cultural assets, its provincial theatres, remains on the brink of an irreversible spiral of decline”. The Liverpool Everyman Theatre Company, the North West Playwrights’ Workshops and the Tyne Theatre trust (Northern Stage Company) were in the list for cuts in grant. Its 1994-95 report noted that those three regional theatres had been forced to stop producing their own work due to continuing financial pressure. Many regional theatres had to find measures to keep them running - actively involving themselves in community projects, planning co-productions that enabled them to pool resources and share costs, taking over some of the theatre-in-education (TIE) role, and trying to avoid the new. This study will examine these measures in the case study of The West Yorkshire Playhouse under its Artistic Director Jude Kelly.

Under the constant pressure of the shortage of money, a business spirit and expertise has been an undeniable necessity in theatre. Year on year, theatre companies needed more and more sponsorship money in order to stand still. Money from business sponsors, after a fall from the 1991/92 total of £74.6m to the total of 69.5m for 1993/4 mainly due to the recession, was steadily rising. In 1994-95 it reached £83m, accounting for more than 10% of the total funding for theatre. In the year 1997-98 the government grant for arts was almost standstill with £185 million, but money invested
by business sponsors into the arts reached a record level of £115m, an increase of more than 20% on the previous year, accounting for £17 million for theatre.

Apart from seemingly old style cash support, business sponsors became more actively involved in the arts in the 1990s. It was a common practice that business sponsors sent their representatives to arts companies to impart business know-how in a scheme called "cross-fertilisation". For instance, Board Bank, which was sponsored by the National Westminster Bank, put almost 200 young ambitious business people on the boards of arts companies around the UK during 1996-97. The Everyman Theatre in Liverpool, desperately in need of better business management at this time, was one of the leading regional theatres willing to accept the scheme. 

Increasingly, business sponsors unreservedly intervened in the business affairs of the arts companies they supported. In October 1997, the Creative Forum for Culture and the Arts was launched at a party in the Buckingham Palace, hosted by the ABSA's patron, the Prince of Wales. Here, £20,000 a year for three years was put aside for the purpose of "investigating ways in which culture and the arts" could "permeate and improve the performance of business". A team was set up to make "recommendations on how artists can contribute to PR and marketing, to design, to human resources, to personnel, and to overall management performance". The former ABSA's director general Colin Tweedy said that this was a "holistic approach".

The detrimental result, however, might be an increase of bureaucracy in theatre companies, with huge amount of money, which could be used for productions, being spent on sponsorship departments. In addition, sponsorship money is generally
regarded as part of a company's promotional expenditure, so business sponsors normally expect certain benefits in return. Apart from allowance for tax purposes, they expect their companies' promotion by advertising and association with prestigious arts events. Sir Roy Shaw revealed his experience; “David Maroni of Olivetti, one of this country's most imaginative sponsors, once appealed to his colleagues at a conference to admit that they were in sponsorship for reasons of enlightened self-interest. This brought a correction from another sponsor who said emphatically, 'Brutal self-interest'".  

In the previous chapter, this study has examined one of the detrimental effects resulting from the Council's imposition of business methods on the theatre world - a kind of self-censorship in programming and playwriting which avoid plays requiring many actors. Here, this self-censorship will be examined in detail.  

As long as the arts are viewed as commodities in a free-market, they are thrown into high competition just as other economic sectors are. Here, success is not optional but obligatory. To succeed means creating a favourable situation to attract sponsorship by private donors as well as secure funding by the Arts Council. To be successful, content has to be closely scrutinised by theatre companies themselves. Plays, for example, whose values and ideals are alien to sponsors whose artistic taste tends to be conservative, are unlikely to obtain sponsorship. As Michael Billington argued, it is true that "in a society where commerce is the prime criterion of artistic value", market populism "amounts to censorship". The consequence of the "censorship" must be a push towards theatrical conservatism, forcing theatre companies to seek safe products such as adaptations of well-known novels and musicals.
Amongst others, a boom of “mega-musicals” symbolises the changes in programming in the British socio-cultural climate in existence after Thatcher’s government. Before the 1980s, as Sheridan Morley admitted, “the British stage musical had never achieved on its home ground the dominance that its American counterpart had on Broadway”. However, after the influx of American musicals such as Oklahoma! for decades since 1980s the British musical has become as spectacular and materialistic as a Broadway show, attracting broad popular appeal. Cats (1981), Song and Dance (1981), The Phantom of the Opera (1988), Aspects of Love (1989), Sunset Boulevard (1993) all transferred to Broadway and could be seen in many large theatres around the world.

The dominance of musicals in the metropolitan British theatre of the 1990s can be demonstrated in figures. According to the Society of London Theatre (SOLT), from 1990 to 1994, “modern musicals”, for example, those by Lloyd Webber and Sondheim, took a share of total performances ranging between 27% (1990, 1994) and 37% (1992). “Traditional musicals” have increased their share steadily since 1990, from 7% (1990) to 12% (1994). In total, musicals accounted for 39% of all performances in 1994. By comparison, “modern drama” has slightly decreased in its share; 22% (1990), 17% (1991), 16% (1992, 1993), 20% (1994). Musicals have been even more dominant in terms of actual audience attendance. Musicals have accounted for more than 50% of theatre tickets sold by the members of the SOLT; from 51% (1990) to 59% (1992, 1993). By contrast, the audience of regular adult playgoers, conscious of the repertoire and developments in new work, has been in decline, as modern drama has ranged from 12% (1990) to 8% (1993).
These musical productions were bluntly Thatcherite, encouraging private entrepreneurs to adopt materialism both in the manner of production and as a means of making money. In this sense, Lord Andrew Lloyd Webber, a producer and a musical composer, was and still is the perfect symbol of the triumph of Thatcherite theatrical materialism. He has invested vast amounts of money in epic scale productions, with spectacular sets such as the gothic staircase in *Sunset Boulevard* and the dazzling chandelier in *The Phantom of Opera*, and with lavish costumes. He rewrote the history of the musical by making incredible profits. In 1991 he was running six musicals at the same time in the West End. In July 1993, *Sunset Boulevard* opened with £4 million in advance bookings. At the end of January 1996 *Cats* marked the longest-ever-running musical with more than 42,000 performances in 21 countries. By then it had been seen by 7 million people in London alone. By 1998 it had taken £2bn at the box office world-wide. Antony Thorncroft said; "The fattest cats, with most of the cream, are naturally Sir Lloyd Webber ... who has described *Cats*, with some irony, as 'my pension fund'".29 After the success of *Cats*, in 1986, his production company, the Really Useful Theatre Company, was to be floated on the London Stock Exchange, immediately valued at over £35m. By the end of November 1994, more than 40% of theatre income in the US came from Lloyd Webber musicals and this led to his Really Useful Group twice receiving Queen’s Awards for export achievement. In 1991 when *The Phantom of Opera*, *Song & Dance* and *Aspects of Love* were added to his catalogue, the PolyGram Corporation offered around £100m for a mere 30% share of his company. By 1996, he was among the list of the top ten richest men in Britain, earning most of his fortune from mega-musicals.30 Sheridan Morley wrote; "If you added up all the lifetime earnings of all other British stage composers in this century,
the total would be unlikely to reach even a half of what Andrew Lloyd Webber is now worth".31

At the 1995 Birmingham theatre conference titled ‘All Passion Spent?’, there was a strong argument between straight theatre and the musical. Writer-director Neil Bartlett “defended the musical as a form uniquely possessed by its audience”. According to David Edgar, “for him, the ideal show is one to which a member of the audience could happily escort his boyfriend and his mother”. John Bull, however, “condemned the musical as ideologically conservative and creatively reactionary, both paradigm and cause of a theatre of escapism and nostalgia”.32 Whether theatrically benign or malign, practical effects of the rise of musicals have been clear. David Edgar wrote;

The big musicals have converted the playgoing experience from regular theatre attendance to the occasional slam-bang treat; by exposing major classical directors, designers and actors to the market, musicals have transformed the culture of the subsidized rehearsal rooms to which these artists returned. Whether for good or ill, the musical was the Trojan horse by which the consumer-orientated principles of the market were infiltrated into the subsidized theatre.33

Indeed, when the idea of extravagance rooted in materialism gained popular appeal, it seems true in the 1990s that “it is unwise to believe in too rigid a division between the commercial and the subsidized”.34 Not only have leading national theatres often put on highly successful musicals themselves, but also they have become branches of the entertainment industry. For instance, in David Edgar’s view, “the National Theatre no longer operates as an acting ensemble, and is increasingly
collaborating with outside companies on its own productions. In the 1990s the Royal Shakespeare Company made huge profits from Les Miserables. For primarily commercial rather than artistic reasons, The Royal National Theatre decided to stage a revival of the musical Guys and Dolls at the Olivier Theatre, giving up the original plan for classical, renaissance, and Shakespearean plays. It seems that what the Arts Council aimed at with the national theatres were - setting a new market-driven model for the subsidised theatre - was finally accomplished.

Many established leading directors, moving freely between the subsidised sector and the commercial sector, seemed to be another token of the breakdown of any rigid division between the two sectors. Trevor Nunn, who had been running the RSC for 18 years from 1968 to 1986, became the director of the RNT in Autumn 1996, with a five-year exclusive contract which allowed him to work in the commercial sector. This enabled him to take care of his own musicals like Cats, Starlight Express and Sunset Boulevard which have made him a multi-millionaire. Many of the leading theatrical figures like Trevor Nunn have been responsible for theatrical conservatism and materialism, despite accusations that they curried favour with the public or the defence that they were unavoidably following the fashion of the times. Trevor Nunn did not conceal his preference for musicals, simply because they had popular appeal attracting more first-time audiences to the RNT. Nunn also strongly hinted that under his directorship in the RNT commissioning new writing would not be his major concern, by saying that before joining the RNT, “It is entirely possible that I have not kept in touch with new writing”.
As seen in the case of Trevor Nunn, when theatrical conservatism and populism became a dominant idea, new writing was in a serious crisis in the British theatre in the first half of the 1990s. The crisis of new writing during this period seemed to typify the theatrical problems caused by the prevalence of the Thatcherite market economy. Due to the significance of this, this study will separately examine what created this crisis and what the consequences. However, a literary analysis of new writing that emerged from the mid-1990s is not the concern of this study.

The State of New Writing in the 1990s

Artistic directors are shouldering impossible burdens of under-resourced buildings, lack of opportunity for artistic refreshment, lack of recognition and boards who keep the artistic policy in check - thank goodness mine is one of the exceptions. As a result of a plethora of legislation, they are now personally liable for fine or prosecution if there is evidence of financial mismanagement. As a result, they are less likely to sanction any risk-taking because of the need to protect themselves. In the current climate, areas such as new writing become an easy target for cuts.  

In the early 1990s many theatre people and critics were seriously concerned about the state of new writing for theatre. David Edgar in retrospect defined the period of 1988-92 as “death of the new” – the period of “what seemed to be an exponential decline in the amount, quality and performance of new work in the British theatre”. Critics such as Michael Billington also pointed out a deep crisis in new writing;
New writing for theatre is in a state of crisis. Of course, new plays are still written: around 100 a year in the grant-aided theatre. Some are good. But for a variety of reasons - financial, political and cultural - new drama no longer occupies the central position it has in British theatre over the past 35 years. 40

Indeed, the state of new writing in the early 1990s has been directly and interrelatedly affected by political, financial and cultural changes starting from Thatcher's government. Politically speaking, since 1979, Britain has witnessed the emergence of the New Right, and witnessed Labour's desocialising process towards Thatcherite values. The British society was becoming more and more conservatively depoliticised. This was particularly true of the youth. As a MORI poll indicated, the aspirations of "Thatcher's Children" were materialistic and individualistic. As Martin Thomas witnessed in the Chapter I, they showed little interest, if any, in politics and even did not understand the meaning of socialism. Under the situation, it was difficult to expect the emergence of a new generation of young writers to ensure theatre's role as a place of lively debate of which it had once boasted.

Financially speaking, as arts subsidy was continuously squeezed after Thatcher's second election victory in 1983, the subsidised theatre sector was increasingly pushed into a free market competition in which decision-making was taken rather in terms of business than of artistic and spiritual consideration. In this situation, new plays looked simply too expensive.

Thus, culturally speaking, in the theatre, a tendency towards theatrical conservatism and populist materialism was a logical outcome. The tendency was
illustrated by the Arts Council's analysis of the "Overall Repertoire for Arts Council Building-Based Theatre Companies" from 1981 to 1995 - the rise in musical and adaptation and the decline of post-war serious work.

These interrelated political, financial and cultural changes have brought about a vulnerable climate in new writing. More specifically speaking, several factors, which arose from political, economic and cultural Thatcherism, have contributed to this vulnerable climate.

First of all, there was the difficulty of finding a subject. David Edgar, who once said that he "was brought up to deem two truths to be self-evident; that live theatre is a unique art form and new work is essential to its strength", looking back on the state of new writing in the early 1990s, claimed that "by 1990 British theatre has ceased to have a subject". It was true that unlike the 1980s, in the early 1990s playwrights such as David Hare and Caryl Churchill found it difficult to find a subject of their time. In the 1980s, they had brought Thatcherite Britain into debate as one of the subjects. For example, Caryl Churchill's Top Girls directly attacked top girls like Mrs Thatcher as typical bourgeois feminists. Pravda (1985) co-written by Brenton and Hare denounced the embracing of free-market cultural economy by Thatcher's government, comparing Sir William Rees-Mogg, the ex-editor of The Times and the then chairman of the Arts Council to the main character, Lambert Le Roux, as a representative of the power of naked capitalism. However, although Margaret Thatcher was gone in 1990, Thatcherite Britain still continued. There may have been a cynicism which claimed that we had tried hard against Thatcher's Britain, but what happened? Vera Gottlieb spoke in 1988; "I find in myself a lot of ideas that are a residue of twenty years ago and not necessarily
engaging with the realities of today - which is not to say that many of these values are wrong, but how does one readdress them?" In addition, after the Berlin Wall was breached, there arose amongst left-wing writers a certain defeatism. Brenton declared that "The 'British epic' theatre with its 'issue plays' ... has died". Trevor Griffiths observed; "It's very difficult ... to make art out of politics, at a time when people aren't making politics out of politics". It was not until the mid-1990s when a group of young writers began to deal with issues of violence, sex, drugs and homosexuality that new writing with new subjects began to emerge. Later in this chapter, those issues will be examined.

The vulnerability of new writing was also related to theatre companies' financial hardship. As their income of which government arts subsidy represented a considerable proportion was becoming insecure, theatre companies could not afford to stage risky new plays to the same extent as they did. Even the Royal Court whose Theatre Upstairs was renowned as "a major venue for new playwrights" had gone through a difficult time. During the 1970s, the Court received steadily increasing subsidy from £105,000 (1971-72) to £351,000 (1979-80). Despite the inflation rate which caused the reduction in value of its income in the 1970s, it could afford to produce eight or nine new plays on the main stage and almost the same number in the Theatre Upstairs. However, the subsidy the Royal Court received from 1984 to 1989 was almost standstill; £532,780 (1983/84), £505,508 (1985/86), and £566,500 (1988/89). The Court, by 1986, could only afford to produce four plays each on the stages. In 1989, the Court was unable to maintain even the minimum level of four shows in each theatre. The Court's status as the centre of new writing was recognised by the Arts Council in this year, but the Theatre Upstairs which had been "a major
venue for new playwrights” was temporarily closed, simply because it did not receive
the necessary funding to develop further. In the early 1990s, there was little increase in
its arts subsidy.

In regional theatres, where financial hardship was most severely felt, staging
new plays had already become a rare event. Despite sporadic successful events such as
the Stephen Joseph Theatre’s staging of Tim Firth’s *Neville’s Island* which made the
journey from Scarborough to London, and despite an audacious challenge of such a
company as the West Yorkshire Playhouse which produced 5 or 6 new plays annually –
a third of its own in-house productions - most regional theatres, which became
increasingly concerned about box office returns, were either unable or unwilling to risk
new plays. Birmingham’s Artistic Director, John Stalker said in 1993; “A few years
ago we would have commissioned 12 new plays a year. Now it’s only six and we can’t
afford a literary manager. That means there are 50 per cent fewer opportunities for
writers”.46 Without being nurtured, it is difficult to expect the new talent to be
forthcoming.

The critical state of new writing was also related to the financial condition of
new writers. New writers who wanted to start their career in theatre had to be prepared
for a precarious income. Particularly after a drastic cut in the Council’s special
schemes for new writing in the late 1980s, their general financial condition in theatre
has not been adequate. Unlike actors and directors whose income was relatively stable
irrespective of success or failure of a production, writers, particularly new writers, still
remained the workers in the subsidised theatre whose income was primarily rewarded
by initial success which was very rare. Even after the success, their income looked, at
most, only sufficient enough to carry on their work. Theodore Shank, after interviewing Charles Hart, officer in charge of Writer Schemes in the Arts Council in 1991, wrote;

So if in a year a playwright were lucky enough to receive a bursary [maximum £5,000], a commission [maximum around £3,800], and a residency [£4,000 for six months] which was renewed for a second six-months period the total income for the year would come to £16,800. However, one would have to be very optimistic indeed to count on all of these awards - especially since the success rate for bursary applicants is low and most often go to experienced writers.47

In 1991-92, the Council’s £34,000 bursaries were offered to only 9 writers, including Kay Adshead (£3,000) and David Halliwell (£5,000). The precarious income, therefore, often drove writers from the theatre into other media such as television. In terms of economics, the temptation to write for television was irresistible. Billington, quoting from a playwright friend, wrote; “A new play at a theatre like Hampstead will earn a writer a maximum of £5,000: a dramatist who knocked off seven segments of EastEnders, in less time than it takes to write a stage-play, earned £21,000”.48 In addition, with a few exceptions such as works of well-established writers as Hare, Brenton and Edgar, young writers found it difficult to interest theatre directors in their work. It was small wonder that they were attracted to other media. Some promising playwrights like Hanif Kureishi and Tony Marchant have already abandoned the stage for success in other media. Many others have increasingly pursued other media as a side business. For instance, Peter Cox wrote for Brookside in 1991. He was previously the author of The Garden of England for 7:84 which described the effects of miner’s strike of 1984-85 on women in the Kent coalfield. Louise Page, Sarah Daniels and
Kevin Hood, whose works were produced at the Royal Court during Max Stafford-Clark regime, have been earning their living in the 1990s by writing popular serials on radio and television.

TV was often criticised by theatre workers and critics as one of the main culprits for the fragile state of new writing in the theatre. Billington wrote; “television uses theatre as a cheap recruitment facility without putting anything like enough back... the economic blandishments of TV are so strong that writers are being snatched out of the nursery before they have had a chance to grow”. In Max Stafford-Clark’s view, “television is kidnapping young theatre writing talents and draining their vital juices”.

Indeed, in the 1990s, television companies exploited new talent without offering suitable conditions for writers to develop their craft. In the 1970s, the BBC was noted as a great patron of new writers. According to Peter Ansorge who joined the BBC in 1976 as a script editor in the television drama department, “there were dozens of outlets for single plays, with a variety of producers commissioning them” in the primetime, such as “Play for Today on BBC” which “could win audiences of well over 10 million”. However, after the emergence of Thatcher’s government, it was faced with the decline in real-terms license fee income as well as heavy competition with ITV. BBC restructured itself into a business-like organisation, so that its in-house producers competed with independent programme makers who wanted to sell their programmes to the BBC. Its restructuring certainly had an impact on programming with broadcasters’ preference for marketable items. David Edgar said that “The new BBC is the clearest possible demonstration of how restructuring for the market creates
conservative programming". In the 1990s, the primetime programmes of either the BBC or ITV normally included police series, soap operas and hospital shows such as *The Bill, Inspector Morse, Brookside* and *EastEnders*, and *Casualty* and *ER*. Thus, once recruited by television companies, it was obvious that new writers were expected to develop their craft by writing these series and soap operas.

The writing technique demanded by television and stage is clearly different. There is no doubt that the stage remains the most demanding writing medium. Writers of soap operas and long-running series are normally given stories and characters. This can, dangerously, lead to the writers becoming reduced to the status of dialogue-writers, with little assimilation of the symphonic skills needed to write a stage-play. In this, television, which has huge capacity to attract new writers, has made an aesthetic impact on theatre in the 1990s. Later, this study will examine the aesthetic impact of television on theatrical and dramatic discourses of new writers emerging from the mid-1990s.

The vulnerable climate of new writing was also to do with the state of small-scale touring companies. It is said that in the 1970s these played a major role in inspiring unknown talented writers to join the theatre and thereby offered them a training ground. Theodore Shank said about the capacity of touring companies to inspire "an incipient young playwright";

The first experience of an incipient young playwright living outside of London might be to see a performance by a touring company. When Welfare State arrives in a community is much like a circus coming to town. They construct props, large puppets, masks, lanterns and banners
culminating in parades and performances. It is easy to see how such excitement, contrasting with the drabness of an industrial town, could inspire a teenager to devote his or her life to the theatre.\textsuperscript{54}

Once they were recruited, new writers learnt their writing craft before they made their name in the larger subsidised companies. In the 1970s, companies such as Portable Theatre, Joint Stock or Monstrous Regiment had writers at the core of their work. Such writers include David Hare and David Edgar of the post-Osborne fringe generation. For instance, Hare, with Tony Bicat, founded Portable Theatre in 1968 where he undertook a playwriting apprenticeship until 1972. In the fringe theatre in the 1970s, audiences were presented with new plays dealing with issues of the time. However, by 1990 many of significant companies such as 7:84(England) and North West Spanner were driven out of business.\textsuperscript{55}

In the early 1990s, new plays were, nevertheless, still being written and staged. According to the Arts Council, new plays accounted for roughly 15\% of the repertory of subsidised companies. This figure was not very different from the figure of the early 1980s. However, the problem was, as Theodore Shank indicated, that many of premiere productions “drew upon the familiar - the work of earlier writers or history or movies which would spark recognition in the minds of potential spectators”.\textsuperscript{56}

Moreover, a higher proportion was confined to a few metropolitan theatres - the Royal Court, Hampstead, the Bush, the Tricycle and other venues. Most of the London fringe theatres were, to a greater or lesser extent, in a state of a boom from the rediscovery of either domestic or European classics. A great deal of playwriting talent was devoted to adaptation and translation. The Gate, for instance, did its European seasons for two consecutive years. One was a Spanish Golden Age season under Stephen Daldry in
1991 with such productions as Tirso de Molina’s 1620 Spanish tragedy, *Damnéd For Despair*. The other was a ‘Plays For Europe’ season under Laurence Boswell, who succeeded Daldry, in 1992, with pieces from a recent French dramatist Michel Vinaver, Euripides, Lorca, and Lope de Vega. As Dominic Dromgoole said, “The Gate was a very late 80s phenomenon when new writing was suffering”.57

The phenomenon was, first of all, due to artistic directors’ increasing concern with marketing. For the directors, new plays from new young writers were not paying business; few of them could attract the critics’ attention; few of them could attract substantial audiences; few of them could attract business or private sponsorship. Generally speaking, new plays were viewed by theatre directors as being risky and expensive, requiring more investment in rehearsal time and money for commissioning. For instance, Adrian Noble, the RSC’s artistic director of the Barbican, decided in 1992 to drop the last seven performances of Richard Nelson’s new play, *Columbus And The Discovery Of Japan* at the Barbican. The decision was made because of “simply no movement at the box office for the last seven performances – only 830 advance bookings”. Against criticism from Richard Nelson who argued that “the show is being turned into a scapegoat for the decline in business this summer”, and from Michael Billington who saw the decision as “foolishly myopic”. Adrian Noble justified his decision by arguing that it saved £80,000,58 and “protected the company’s other work by improving its overall financial condition”. This was one simple example of the general trend of Artistic Directors’ primary concern in the 1990s with finance. In Adrian Noble’s words, the decision came from “a lesson from bitter experience over the last 15 years, by both artist and funding bodies alike”.59
In the early 1990s there was a dearth of young directors who were eager to direct new plays. David Edgar critically wrote; "For the first time since 1956 there is a whole generation of talented young British directors who affect little or no attachment to the production of new work". If established directors shrank away from new plays chiefly from financial considerations, a new generation of young directors refrained from them chiefly out of consideration for a promising future career.

Generally speaking, many young directors were reluctant to take risks. They were reluctant to spend time and energy in the dubious field of new writing. They preferred rather classics which they saw as a safer bet because at least the validity of their texts was hardly questioned. Indeed, for them, mounting productions of classics was related more to the matter of getting noticed than of aesthetics. Unlike the classics, where directors are usually spot-lighted after a successful opening night because most of the authors are no longer alive, after the opening night of a new play, it is not the director but the writer who receives reviews and gets noticed. Carl Miller, a former Royal Court trainee director who turned freelance after a stint at the Royal Court Young Director's Theatre described his experience in the early 1990s in the fringe which had been a testing ground for new plays, but was now an open audition for young directors who played safe and opted for the classics;

Once people directed on the Fringe because that's where they wanted to work. Now an awful lot do it because they hope that Richard Eyre will turn up on a wet night and say 'Great, come and do Trewlaney of the Wells at the National. ... The fringe has become an open audition. It's like constantly being backstage at a Broadway musical where everyone is hoping to get the break into the big time. It's not that I don't want to be as famous as the next person but the lack of idealism is really depressing. Trying to maintain any political or artistic integrity is incredibly difficult.
Generally speaking, in the 1990s, with a few exceptions, the only time young directors showed their interest in new writing seemed to be when they were appointed as director in a venue such as the Royal Court or the Bush. Stephen Daldry was a case in point. Daldry was considered to be one of the young directors who led a new writing boom in the middle of 1990s. He made his name, however, not with new British works but with classics. In 1988, his Liverpool Playhouse production of The Ragged Trousered Philanthropists won him instant critical acclaim. He staged Odon Von Horvath’s Judgement Day at a London fringe and the Old Red Lion in 1989 praised by Billington as “a remarkable event”. He became director of the Gate Theatre in 1990. Critics such as Michael Billington and Claire Armistead praised highly his directorial vision in the classics when he offered two productions in a Spanish Golden Age season, Marieluise Fleisser’s Pioneers in Ingolstadt and Purgatory in Ingolstadt (1991, with co-director Annie Castledine) and Tirso de Molina’s Damned for Despair (1991). The season was award-winning, and his fame, after successfully staging these classics and European plays, led to him being designated as co-director to Max Stafford-Clark at the Royal Court in 1991 with a view to succeeding him in October 1993. After the designation, he said; “One of the things I don’t like, and don’t adhere to in today’s theatre is the sectarian attitude to the classics that has emerged in new British writing over the past few years”. He added; “We need now to go back to text-based works, marrying new writing to the more extraordinary theatre which has been abandoned in the eighties”. However, a remark like this seemed to be highly predetermined by his designation as artistic director of the Royal Court, a theatre noted for its support for new writing.
Jane Edwardes, in her article entitled ‘Directors: The New Generation’, illustrated a general tendency followed by young directors in the 1980s and the early 1990s. Apart from Jenny Killick, all the “Oxbridge” young directors she interviewed - Declan Donnellan, Sam Mendes, and Deborah Warner - turned their backs on new writing early in their careers in favour of the classics and were then quickly embraced by the leading subsidised companies. Donnellan, director of Cheek by Jowl which has been known for specialising in revivals since its foundation in 1981, said; “We like plays that have an epic, poetic dimension. Plays about great issues that are not tied to any particular period. The great literary texts are so emotional”. He and his company produced Racine’s *Andromache* (1984), *Twelfth Night* (1986), *Macbeth* (1987), Ostrovsky’s *A Family Affair* (1988), and the like. Sam Mendes, who made his name before reaching his thirties by winning the Hamburg Shakespeare Scholarship, produced *The Cherry Orchard* (1989) at the Aldwych, *Troilus and Cressida* (1990) and *The Alchemist* (1991) at the RSC, and *The Plough and The Stars* (1991) at the Young Vic, and *Richard III* (1992) at The Other Place. Deborah Warner set up a fringe company called Kick which explored the classics. Her fringe classics included *King Lear* and *The Good Person of Sichuan*. Her subsequent productions at the National consisted of *King John* (1987), *Electra* (1988), *Good Person of Sichuan* (1989), and *King Lear* (1990).

The post-war British theatre has witnessed some productive director-writer partnerships in new writing. The fifties and sixties saw the partnerships of Tony Richardson and John Osborne, John Dexter and Arnold Wesker, William Gaskill and Edward Bond, and Peter Hall and Harold Pinter. In the seventies, apart from the
partnerships in the mainstream theatre such as David Hare first with Peter Hall and then with Richard Eyre, there were partnerships in the fringe which had resulted in a huge explosion of new writing. In the late 1980s and early 1990s, it still happened occasionally, between Max Stafford-Clark and Caryl Churchill, but “It became _de rigueur_”, wrote David Edgar in retrospect;

for directors under (and even on occasions a little over) thirty to announce that they couldn’t be bothered with the triviality of the contemporary, and they certainly couldn’t cope with the trauma of having a living writer in the rehearsal room. Instead, they were either doing increasingly operatic and continental versions of not always unjustly neglected European classics on dangerously raked stages, or endless productions of the twenty or so sure-fire classical pops.67

For them, works by today’s playwrights seemed untrustworthy, inadequate or even “sanctimonious”. Deborah Warner once exchanged words with Arnold Wesker. She said that living writers were always “neurotic”, and that her production of _Electra_ was “a modern play”. She added that “I would love to direct a new play when there are new plays of the size that is offered to me in classics ... one you could give a year of your life to”.68 Arnold Wesker characterised Warner and her fellow classical directors as opportunistic “necrophiliacs”, blind to the allure of living playwrights.

As the vulnerable state of new writing continued, playwrights themselves were increasingly concerned about the theatrical climate. In November 1994, 87 playwrights such as Harold Pinter and Caryl Churchill asked theatre directors in Britain to put on a quota of three new plays a year on their main stages. They expressed a fear that the nation’s theatre was slipping into “irrelevance and decline” because of the lack of
opportunity for new work. This was the year that the Arts Council grant was cut by £3.2m, and that both local authority funding and business sponsorship were in decline. However, as Jude Kelly argued, the demands of the playwrights were “impossible burdens” to artistic directors while they were asked to run “under-resourced buildings” successfully.

Despite the hostile climate for new writing examined so far, by the mid-1990s a group of young writers did begin to attract attention from critics and scholars. Benedict Nightingale, after a few years’ watching, and comparing the stir created by this new writing to that created by Look Back in Anger, felt in 1996 that “there is a similar buzz in the air now”.\(^6\)^ In contrast to his lamentation on the crisis of new writing in 1991, Michael Billington, reviewing theatre in 1995, said; “Indeed the most heartening feature was the abundance of new plays that both found an audience and addressed big issues”.\(^7\)^ David Edgar, who had been asked by the Arts Council in 1992 to write a list of post-war British playwrights and their writing, wrote in 1997; “One could now add at least 20 potentially or actually major writers to the list”.\(^8\)^ With the emergence of new writers, he saw one particular subject of their writing - “masculinity and its discontents”.\(^9\)^ His thematic list included “gay plays like Jonathan Harvey’s Beautiful Thing and Kevin Elyot’s My Night with Reg, boys’ bonding plays like Tim Firth’s Neville’s island (and the boys’ betting plays of Patrick Marber and William Gaminara), lads’ plays like Jez Butterworth’s Mojo and Simon Bent’s Goldhawk Rd, girl-in-a-boys’ gang plays like Irving Welsh’s Trainspotting and Mark Ravenhill’s Shopping and Fucking, (and indeed the subgenre of girl-in-and-out-of-a-boys'-bonding-plays, of which genre Terry Johnson’s Dead Funny remains the market leader)”.\(^10\)
A few factors were behind the emergence of these new playwrights. One was the establishment of practical courses in playwriting in higher education. For instance, Birmingham University established Britain's first postgraduate playwriting course guided by David Edgar in 1989. Its three underlining principles were - "that it is taught by practising playwrights, that it combines theoretical exploration with work on student texts, and that it involves live performance of students' work". A writing course like this has given students a sense of confidence about their playwriting craft by seeing their own work produced. Of the 1990s graduates of the course, about one third became professional playwrights by the end of 1998, including Sarah Kane, Clare Bayley, Ben Brown and Rod Dungate.

Another factor was the availability of playwrights' self-help workshops and festivals, such as North West Playwrights, Northern Playwrights, and Yorkshire Playwrights. These emerged from the necessity felt by writers to develop their new works in rehearsal as theatres were increasingly unwilling to respond to unsolicited scripts. For instance, Northern Playwrights organised 'Stage First' - the first festival of new writing on Tyneside in May 1993. It was a weekend of workshops and discussions about new plays with names like John McGrath, Alan Plater, Michael Wilcox and Philip Hedley. Here, new local writers were given a chance to try their new works, such as Peter Mortimer's *Ghosting*. Even against the financial odds, these courses, workshops and festivals gave an energy to the emergence of new writers in the mid-1990s.

Such directors as Dominic Dromgoole and Stephen Daldry have taken the lead with regard to the new writing boom in venues traditionally famous for new writing.
such as the Bush Theatre and the Royal Court. Dominic Dromgoole became artistic director of the Bush in 1990 and soon staged *The Evil Doers* (1990) by Chris Hannan, *The Pitchfork Disney* (1991) by Philip Ridley and *Our Own Kind* (1991) by Roy MacGregor. His six-year period as artistic director introduced many new writers to the Bush audiences; Lucinda Coxon, Sevastian Barry, Lesley Bruce, Naomi Wallace, Richard Zajdlic, Tamsin Oglesby, and Conor McPherson, Simon Bent, David Eldridge and Samuel Adamson. Stephen Daldry, after his designation as artistic director in the Royal Court in 1991, soon showed his determination to produce new works. A boom of new writing in the Court largely came from Daldry’s expansion policy after succeeding Max Stafford-Clark in 1993. In the early 1990s after its desperate financial year of 1989, a Court autumn season usually consisted of two plays on the main stage and two Upstairs. However, in 1993 Daldry announced his first full season (1993-1994) in the Court which contained four productions both in Upstairs and Downstairs. Extra funding from the Jerwood Foundation and the Audrey Skirball-Kenis Foundation was financially helpful to his policy. He said in July 1994; “It’s important to expand when you feel threatened. ... There is a huge exuberance of new writing around, and I don’t mean the old Royal Court plays with a bit about the state of England in the middle of Act II”. Just before the season began in early September 1994, Daldry said; “Between now and April next year, we are planning to produce over a dozen writers. ... The importance of this is simple - it allows opportunity”.

In his heyday at the Court from 1994 to 1996, the Court produced by 1995 many new plays from young writers, with ages ranging from the youngest at 15 to the oldest at 27. In 1994, it produced Jonathan Harvey’s *Babies*, Joe Penhall’s *Some Voices*, Nick Grosso’s *Peaches* and Judy Upton’s *Ashes and Sand*. In the following
year, 1995, Stephen Daldry demonstrated a “can do” attitude despite financial hardship. This year saw 8 new plays in the Theatre Downstairs, and 9 in the Theatre Upstairs, plus the Barclays New Stages Festival. Sarah Kane’s _Blasted_, Judith Johnson’s _Uganda_, Phyllis Nagy’s _The Strip_, Jez Butterworth’s _Mojo_ were staged in the Court during this year. In 1996, the Court left Sloane Square and moved into its temporary homes, the Duke of York and the Ambassadors in the West End, because of its refurbishment with lottery money. Despite the London Boroughs Grants Committee’s withdrawal of its grant of £37,000 to the Theatre Upstairs, Daldry did not stop commissioning new works. The work of the Theatre Upstairs was continued at the Ambassadors Theatre (renamed the Royal Court Theatre Upstairs). He converted the Ambassadors into two spaces, which allowed him to run three theatres rather than two, so that he was able to continue the expansion of the programme. He stated that “while we’re out of the building in Sloane Square it won’t feel like our work is on hold. In fact, quite the reverse - we will be continuing to expand and do the work and allow writers to flourish”. This year saw new works including Nick Grosso’s _Sweetheart_, Martin McDonagh’s _The Beauty Queen of Leenane_, Nigel Williams’s _Harry and Me_, Clare McIntyre’s _The Thickness of Skin_, Mark Ravenhill’s _Shopping and Fucking_, Marina Carr’s _Portia Coughlan_ and so forth.

What is most significant, however, it that new plays in the 1990s have generally reflected political Thatcherism in their contents and economic Thatcherism in their form. The contents of the plays shows a strong apolitical tendency which is a theatrical legacy of the 1980s. While analysing the plays of Jim Cartwright, Timberlake Wertenbaker and Terry Johnson as representatives of new playwrights of the 1980s, D. Keith Peacock pointed out feature of this tendency: that none of them was “employing
the oppositional left-wing dramatic and theatrical discourse common in the 1970s." 80

In the early 1990s before the emergence of a group of new writers, Max Stafford-Clark also verified this tendency after his experience of changes in the political climate during Thatcher’s 1980s;

History had indeed been happening outside the window and in such a theatrical fashion that it has tended to upstage events on stage. ... The dedicated or fellow-travelling socialism which provided the moral and intellectual framework for a previous generation of playwrights is itself in question. It is not that the goal posts have moved - it’s more that we are now playing on a different pitch. 81

He anticipated the different way new writers in the 1990s would deal with the contents of their writing – in a personalised manner;

New writers, no less disillusioned with the promises of their parents than the angry young men and women of the past, have to find their own analysis. They may be profoundly concerned with social, environmental and political themes but they use personal experience to make sense of the world. 82

His anticipation was more or less vindicated by Stephen Daldry. After announcing the Court’s expansion policy, Daldry received thousands of unsolicited scripts in 1994. After examining all of these, whether or not his personal taste functioned as a major factor in selecting scripts for staging, he must have become aware of the apolitical and personalised tendency from the scripts;
The politically-driven writing of the seventies and eighties has unsurprisingly fallen into abeyance. In its place has grown an interest in the politics of the individual - the politics of sexuality and gender, a concern with violence and nationalism, mental illness and taboo, innocence and evil, coincidence and the supernatural. ... And this new generation of writers is addressing these subjects with an energy and a generosity not felt in the theatre for some while.83

Although no longer concerned with party politics, it is possible to deduce a kind of politics from these plays such as the politics of sex or violence. Elizabeth Sakellaridou, in her article entitled New Faces For British Political Theatre, attempts to relate the work of Sarah Kane, Mark Ravenhill and Patrick Marber with “the politics of violence and class politics”.84 However, these may be better described as issue plays. The reason is that after the retreat of political plays such as those of John McGrath and Howard Brenton, the concept of ‘political’ or ‘politics’ has not been defined as clearly as it was in the 1970s. Thus, I consider that ‘political’ plays should still be regarded as those which contain socialist oppositional ideology. Plays of new writers of the 1990s do not contain such a strong ideological stance, and are, instead, issue plays written on the basis of personal experience; gay issues in Jonathan Harvey’s Beautiful Thing and Kevin Elyot’s My Night with Reg; sex, drugs and violence issues in Sarah Kane’s Blasted and Mark Ravenhill’s Shopping and Fucking; lads issues in Jez Butterworth’s Mojo and Patrick Marber’s Dealer’s Choice and Closer.

In portraying such small-scale personal issues, new plays do not need a large number of characters. This is also directly inherited from Thatcherite theatre economics in which theatre companies instinctively avoided staging plays with a large number of casts. In the new plays of the 1990s small numbers of characters are remarkably evident. Jonathan Harvey’s Beautiful Thing has 5 characters and Kevin
Elyot's *My Night with Reg* has 6. There are only 3 characters in Sarah Kane's *Blasted*, 7 in her *Cleansed*, 6 characters in Patrick Marber's *Dealer's Choice*, 5 in *Gangster No.1*, 6 in Mark Ravenhill's *Shopping and Fucking*, 6 in Jez Butterworth's *Mojo*, 5 in Judy Upton's *Bruises*, and 6 in Rebecca Prichard's *Essex Girls*.

It is also a logical outcome that these plays employ naturalistic "domestic settings" to project personal small-scale issues with a small number of characters just as new plays of the 1980s were "employing domestic rather than public settings to focus on individual or even personal crises rather than public confrontations". For instance, Jonathan Harvey's *Beautiful Thing* tells a story of the sexual awakening of two teenage gay characters against the minutiae of a parochial south-east London landscape, and Sarah Kane’s *Blasted* describes the violent nature of human beings in a domestic set of a small hotel room in Leeds. *Mojo* tells a story of men’s desire against a domestic environment of a rock’n’roll club in gangland Soho in 1958. *Dealer's Choice* tells a story about the risk-taking life of six addictive gamblers set in a restaurant somewhere in London. *Shopping and Fucking* includes only a few pieces of furniture. There are other many plays which can be categorised within a drawing-room tradition, such as Kevin Elyot’s *My Night with Reg* with it stage-centre sofa.

In these features, young playwrights of the 1990s are rather like Thatcher's children. There is a reason for this. When Margaret Thatcher became Prime Minister in 1979, most of them were around 10 years old; Jez Butterworth was 10, Sarah Kane 9, and Patrick Marber 15. It is obvious that their sense of values has been largely formed under a Thatcherite society in the 1980s, through mass media, or the government's enterprise education. Indeed, their sense of values in a real world strongly reflected the
nature of Thatcherism - individualism and materialism. Most of them, after making their names in the theatre, preferred to be individualistic freelance writers. They also showed strong preference for television and film which can offer more materialistic benefits than the theatre, and which have a capacity to attract huge audiences, and, thus, provide them with fame in a very short time. As Peter Ansorge argues, “For the young writers of the 1990s, fame in television and particularly film seems a more attractive option than the theatre”.

For them, theatre looks old-fashioned particularly in terms of business and fame. It seemed that theatre was a mere springboard for their way into bigger business organisations such as the BBC and film industry.

Sarah Kane began writing a screen play for the BFI in 1996. Martin McDonagh, after he left school at 16, drifted through a few office jobs with an ambition to become screenwriter. He wrote his first stage play, *The Beauty Queen of Leenane*, at the age of 23. Jez Butterworth’s *Mojo* was originally conceived as a film script rather than a stage play. *Mojo* is exactly like a Tarantino thriller, dealing with a group of tragicomic young gangsters committing a brutal crime. It was filmed in 1997. Jez Butterworth has already completed a few film scripts. Patrick Marber, before writing his first play for theatre - *Dealer’s Choice*, had served his apprenticeship on TV as a writer and performer for comedy shows like *The Day Today* and *The Paul Calf Diary*. He also wrote and directed *After Miss Julie* for the BBC. When he was asked “what about film and TV”, he said; “I’ve come from TV. I’m aware of how much you have to compromise. ... The thing that appeals about film and TV is fixing the thing and saying ‘this is it’ and it just being there. I quite like that. I would like to make films one day ...” Perhaps, Jonathan Harvey is a representative of this fashion. After making his name in theatre with *Beautiful Thing* which was screened by himself for a Channel 4
film, he has been vigorous in writing TV sitcoms, a drama series, and screen plays. He also wrote musical-like lyrics for the Pet Shop Boys. As a gay writer, by the end of the 1990s, he was making reference to homosexuality in his sitcom series, *Gimme Gimme Gimme*, in which gay characters talked and joked about sexual issues. When he was asked whether he wanted to stay with theatre or to do more on television, he said:

> I want to do a mixture of everything really. ... I'm doing this sitcom at the moment and the schedule's very tight - you do four days rehearsal and the fifth day in the studio and the sixth day you film it and the seventh day you edit it. ... I'd like to be a good writer to be able to write different things well, ... But I don't know if that's possible. On the sitcom the techies and the crew are quite surprised I've got a play on at the National. They just think I write ridiculous half hour television.  

However, for Peter Ansorge, who pointed out that writers' freely moving between the three would have been unthinkable at the end of the 1970s, this fashion is just "a loss in terms of the relationship between roots and writing". 89 With regard to this, Jenny Topper, the director of the Hampstead Theatre, significantly remarked in 1991; of 1,200 scripts a year the Theatre received, "there are fewer writers who know how to write for the stage. Plot development and structure have now become less formal and more casual because of TV. You feel a lot of dramatists simply haven't seen enough plays". 90 As has been noted, once recruited by television companies, most writers are normally invited to write marketable items like a slice of a soap opera or a thriller rather than invited to write a drama which needs symphonic skills. In Patrick Marber’s words, this is exactly “fixing the thing".
TV and film have significantly influenced the dramatic and theatrical discourses of the new writers. Just as most TV dramas and screen scripts are projected naturally, so are their plays. Besides their naturalistic setting as has been noted, most of their plays also depend on naturalistic conversation. In addition, their dialogue is conversation, consisting mostly of a few words or a short sentence. For instance, in *Blasted* and *Shopping and Fucking*, characters rarely converse each other with more than two sentences. That conversation is mostly made up of a single word or a short sentence. For this reason, some theatre people have been concerned that the playwright’s status will be reduced to that of dialogue-writers for television and film. In David Edgar’s eyes, “Jonathan Harvey’s gay romance, *Beautiful Thing*, is a highrise equivalent of Brookside Close”. 91

Moreover, many of the plays are composed of small episodic scenes, similar to cinematic composition. For instance, *Shopping and Fucking* consists of fourteen scenes, *Cleansed* twenty scenes, and *Beautiful Thing* ten scenes. However, this composition has nothing to do with the so-called “collision of episodes” - one of the main theatrical discourses of Brecht’s epic theatre - which functions to enable audiences to maintain a certain distance from the stage by colliding and defamiliarising each episode, and, thereby, to form a critical view on what is given to them. The new writers’ episodic composition in the 1990s has merely been a fashion influenced by the writing method of television and film.

In fact, unlike playwrights working on TV in the 1970s, such as Jim Allen and Trevor Griffiths, whose plays, such as Allen’s *Spongers* and *Days of Hope* and Griffiths’s series of *Bill Brandt*, offered the audience political discussions, new writers
in the 1990s did not seem to be interested in narrative discussion. Rather, they employed third-person narrative which simply revealed the world they have privately mediated or experienced. *Blasted* shows us how brutal and abnormal the world around us is. Although some people talk about its metaphoric message about a Bosnian war, it simply reveals brutal images and scenes such as male-rape, eye-gouging, defecation and cannibalism. The play ends with a terribly shocking visual image, in which Cate, whose blood is running down her legs, shares her food with Ian, whose eyeless head, showered by rain, is poking out of the floorboards.

It can be said that some plays deal with the world wrought by Thatcherism. However, unlike previous plays which explicitly dealt with the practical consequences of Thatcherism and contained strong moral messages against it, their plays deliver moral messages implicitly. This is mainly because they make little effort to explore the whys and wherefores of dramatic background and characters’ behaviour. *Trainspotting* does not preach. It does not even question why Tommy, who injects heroin into his penis, has succumbed to drugs in the first place. He may be assumed to be a victim of Thatcherite social divisiveness, but the play simply presents heroin addiction and the use of opium suppositories without asking why. Mark Ravenhill has argued that his play *Shopping and Fucking* is an implicit critique of Thatcher’s dictum that ‘there is no such thing as society’. His characters are desolate, disposable and disconnected in the world in which “money is civilisation”. Occasionally, the characters make efforts to escape from the trapped circumstances. One character, Mark, trying to come off his dependency on drugs, leaves his boyfriend Robbie to go into rehabilitation. However, because the play does not investigate such efforts in a larger social and political context, such as investigating how Mark has become a drug addict and why 13-year old
Gary has become a gay prostitute, individual struggle is shown as likely to fail. For this reason, it is difficult to assimilate a critical message of what Ravenhill intended - a callous society caused by Thatcherism. Michael Billington was right when he wrote; “it [Shopping and Fucking] never persuades me that its characters are social metaphor rather than a group of hapless special cases”.93

With a few exceptions94 the world described by those new plays is gloomy with little hope of positive change. In 1995 a spokeswoman for the Royal Court said about their general view of the world; “Blasted is part of a series of 11 works by new writers ... The youngest writer was 15 and the oldest was 27. Most of them have a very dark world view which reflects the fact that we are living in dark times. Ashes and Sand, one of the plays in the series, was about a gang of teenage girl muggers and it was running at the time Elizabeth Hurley was mugged”.95 Similarly, Simon Bent’s Goldhawk Road is about a group of vultures hovering round a dying old man and trying to get their hands on his money. In this sense, their view stands at the opposite pole of Brechitian thought - society and individual can be changed through discussing the whys and wherefores. Here again, their apolitical tendency is evident.

New writing by new young writers, which mostly emerged from the mid-1990s, was then, apolitical, small-scale, and naturalistic. Michael Billington, who had pinpointed in the early 1990s “the small-scale nature of so much new writing and the way it increasingly privatises experience”96 as the main cause for the crisis of new writing, was in 1997 still deeply concerned in 1997 about the inevitability of studio-writers’ thinking small. He wrote; “Drugs, sex, violence - which have lately dominated new drama - are all fascinating topics ... We have an abundance of talent. But why is it so
scared of writing about the great drama of public life?" 97 He himself recognised as early as 1991 that the drastic changes in the political, economic and cultural climate had made large-scale political plays unpopular. From Thatcher’s government in the 1980s to Major’s government in the 1990s, the dominant social and cultural agenda shifted away from collective thinking towards individualistic thinking. The Thatcherite political economic cultural agenda has continued in the theatre under New Labour. Now, this study turns its attention to the arts and theatre world under New Labour.

**Arts and Theatre under New Labour**

... New Labour is busy restructuring and deforming the arts, while congratulating itself that it encourages them. The gap between reality and sharp public relations is the mark of fin de siècle in Britain. ... As I write this, there are no real [theatre] companies left in Britain. They too are unfashionable – principally because they cost money. 98

Although few people believed that the New Labour was socialist, with its election victory arts organisations had some expectation of a tangible increase in arts subsidy. Indeed, when New Labour was in opposition, it was very supportive of the arts. At the Mansion House on 3 February 1997, 3 month before the general election, Tony Blair argued; “We have the potential to invest in arts and culture, not just for the economic rewards but for the whole of the quality of life”. 99 However, to the dismay of the arts world, the first visible gesture that the New Labour government made towards
the arts was to cut it by £1.5m for 1997/98. What was the point of cutting such tiny meaningless sum in relation to nation’s overall economy? Perhaps, the message was that the New Labour government, in fact, did not care for the arts.

Indeed, just as there is little difference of economic or social policies between New Labour and the previous Conservatives, so there is little difference in arts policy between the two. New Labour has inherited the Tories’ arts policy. Its inheritance was explicitly mentioned by Tony Blair in his Mansion House speech. Here he revealed at least two clear views on the arts. The first was that it was his firm belief that “the Treasury is not the only significant provider of funds to the arts”. This meant that New Labour would maintain the same spending policy towards the arts as the conservative governments had done since Margaret Thatcher. This was vindicated by its first Chancellor, Gordon Brown’s, commitment to stick to the previous government’s restraint on public expenditure for the first two years of his Chancellorship. In 1997 its first arts budget was cut by £1.5m in cash terms and was frozen in 1998 and 1999.

Secondly, Tony Blair regarded the arts as basically “creative industries” which, in his view, “have been on the sidelines for too long” under Tory governments. He was not interested in the arts that cost money, but only in the arts that make money. Although he mentioned spiritual and creative aspects, he interpreted the arts and culture mainly in materialistic terms with such words as “creative economy”, Les Misérables “earning millions for the country”, “exports from the sector” amounting to £10 billion, and “overseas visitors” financially contributing to “the cultural sector”.

Following the Prime Minister’s view, Chris Smith, the Secretary of State for Culture, Media and Sport, named his department “an economic department with a series of
powerful economic sectors at its heart". One of the economic sectors was the Creative Industries Task Force (CITF) which was set up by Tony Blair after the 1997 general election. The CITF was designed to "look for ways of maximising the economic impact of British goods and services in the creative sector". It has also been working "to identify market failures and to propose measures to address them".

To create the arts as part of creative industry, Chris Smith, first of all, tackled what he saw as the Arts Council's bureaucracy and inefficiency. After the lottery money was distributed to the arts world in 1995, criticism of the ACE's bureaucracy was mounted. For instance, its annual report of 1996-97 showed that the total operating costs in dealing with lottery cash rose from £6.86m in 1995 to £14.71m in 1996. The lottery department was so large in 1997 that it could not even fit into the Council's Headquarters in Great Peter Street. The ACE found it difficult to escape criticism that much of the public money, which otherwise could have been used for the arts themselves, was spent to sustain its bureaucracy. There was also speculation about the government's direct intervention in relation to national companies, by funding them directly from the ministry. In the centre of this speculation lay the financial problem of the Royal Opera House, which had been perhaps the most prestigious cultural institution receiving the highest annual subsidy, and which also had a poor financial record. The government thought that the ACE's lack of entrepreneurship may have caused the Royal Opera House's problems. As Thatcher's government had done, instead of a direct intervention into the Council's affairs, the Blair government tried to transform the Council into a more business-like institution.
Gerry Robinson became the new chairman of the ACE in March 1998. As the chief executive of the leisure group Granada he was a tough businessman. He was also a close friend of Tony Blair’s and benefactor of the Labour Party. On being appointed as the chairman, he introduced radical reforms, applying the same management methods to the ACE that galvanised Granada - reducing the membership of its board, delegation to key officials and the devolution of arts funding.\textsuperscript{103}

His determined reduction of its 23 board members to 10 provoked particular controversy. The board was the Council’s ruling body, which met regularly about 10 times a year to decide policies and approve spending, and which had been “the only fig leaf of democracy that the council had”.\textsuperscript{104} While depriving 13 advisory panels of experts of their place on the Council, Robinson placed more power in the hands of the Secretary-General and three new managers appointed by himself. This meant that in deciding policy and funding, there was less of a consultative process with experts while more power was placed in the hands of the new Secretary-General, Peter Hewitt, an expert in business enterprise which he had applied to the visual arts in the North-East, and three departmental managers; Graham Marchant, general manager of the North London dance centre, The Palace, as director of policy and arts; Graham Long, long-term arts “apparachik”, as director of finance and operations; and Phil Murphy, political editor of the Press Association, as director of public affairs.

With Gerry Robinson and his subordinates the ACE became an overt business organisation. For instance, council meetings, which normally lasted 10 hours under Lord Gowrie, became 2-hour business-like ones after the removal of the 13 advisory panels of experts. Robinson and Hewitt claimed that meetings like these with less of a
consultative process would make the Council function “more effectively” and would cut down on internal “bureaucracy”.

However, board members did not agree. From the beginning of Robinson’s reforms, many of them resigned in protest. For instance, the entire drama panel, led by West End theatre producer Thelma Holt, resigned on 20 May 1998. A week after the resignations, a letter, signed by 60 theatre directors and producers led by Sir Peter Hall and Sir Cameron Mackintosh, arrived as the Arts Council’s office. It said; “We totally support the reasons for the drama panel’s resignations. We would not wish to serve on any Arts Council of England panel whose chair is not a full member of the council”.105 What the signatories could not tolerate was that the arts were being handed over to businessmen while experienced experts were frozen out of the decision-making process. Thelma Holt argued;

With nobody from the art form panels on the council, these changes mean that people who have supported their local theatre may wake up one morning and find it is gone because nobody from the profession was there to speak up for it.106

Being less consultative, it is conceivable that there was contradiction and lack of consistency in the Council’s policy. This was clearly seen with its dealing with the Royal Opera House (ROH). In addition, the case of the ROH also demonstrated the contradiction of New Labour’s arts policy.
Since the 1980s, the ROH has been dogged by two factors. The first was its elitist attitude. Most ticket prices were beyond the reach of many people. The average ticket price in 1994 was £57.45. By September 1998, normally, mid-range seats cost £80 and the most expensive price was over £150. It was not surprising, then, that most of its audiences consisted of the ABC1 social group from London and the home counties. This meant, in Gerry Robinson's words, that the ROH had "continued to ply their trade to the same, middle-class audiences", unable to give access and appeal to a wider public. The second factor was that the company had had perennial management problems. Its board members had "spent what they thought they needed rather than what they knew they had", the policy of, in Sir Richard Eyre's words, "knowing recklessness". Even after it received a total subsidy of approximately £98 million from 1992/93 to 1996/97, its deficit reached nearly £5m by the end of 1997. This raised questions about the validity of the principle on which all arts organisations receive taxpayers' money. The board members were severely criticised by Gerald Kaufman and the culture, media and sport committee on December 1997. The committee report conclusively ordered; "The current board should dissolve itself, and the chief executive should resign, with immediate effect". As criticism of the ROH mounted, Sir Richard Eyre launched an inquiry into opera and dance provision in London at the request of Chris Smith on November 1997. He told MPs on 16 July 1998 that there had been "little sign of improvement" so far in the operations of the ROH. He also recommended reforms that the ROH must rapidly adopt if it was to continue to receive arts subsidy.

Mentioning the case of the ROH implicitly, Gerry Robinson, as a tough businessman warned; "when you are an Arts Council client you will not always be an
Arts Council client".\textsuperscript{111} In his first Arts Council/Royal Society of Arts lecture after becoming chairman, he also stressed that there would be no more “blank cheques”, and added that “in the new era, no one should kid themselves that the Arts Council will be a soft touch”.\textsuperscript{112} His remark meant that any company, even the ROH or the RNT, could lose its grant unless it had a good business record.

However, in December 1997, Lord Gibson, Chairman of the Council from 1972 to 1977, argued that the ROH’s elitist attitude and its huge deficit was mainly due to standstill arts funding for several years, while production costs had risen with inflation. Particularly, he pointed out that the ROH’s recent deficit had resulted from the “close-down period” starting in July 1997 for its rebuilding with lottery funding. He argued that during that period, “it couldn’t attract the same box-office income from a smaller, less suitable temporary venue”.\textsuperscript{113} He added;

\begin{quote}
\ldots the Royal Opera House has become the face of the arts in the UK, and New Labour has chosen it as the easiest target. Brought to its knees by mismanagement of the close-down period, the ROH is being used as a smokescreen for the government’s failure to address the overall decline in subsidy.\textsuperscript{114}
\end{quote}

Conclusively, he accused Blair’s government of being “no more willing to help the arts than its Conservative predecessors”, labelling its arts policy as a “chimera”. His accusation was not wrong in view of the government’s contradictory arts policy.

Tony Blair argued in his speech at the Mansion House in 1997; “Art is not elitist. What is elitist is a society in which art is hoarded for the few and never
experienced by the many”. Accessibility was one of the bases of the government arts policy. Also, this accessibility was closely related to its grave concern with “creative arts industries”. New Labour believed that if arts companies did not improve accessibility to either the public or tourists, no prosperity of arts as “creative industries” would be attained. However, with high seat prices, it is impossible to attain the accessibility. For instance, with the ticket prices in 1998 - £80 for mid-range seats and over £150 for the most expensive one - the ROH found it impossible to widen its accessibility to the public. Thus, for accessibility, arts organisations need, first of all, proper arts funding. Thus, refusing to increase arts subsidy, the New Labour government’s demand for an increase in accessibility was simply contradictory.

Perhaps, realising the validity of the accusation, Cultural and Arts Minister Chris Smith responded; “the country’s key arts companies would be able to establish themselves on a sound financial basis ...”.\textsuperscript{115} Accordingly, Gerry Robinson, claiming that “There is no doubt we under-fund the opera and ballet in London”,\textsuperscript{116} endorsed 11% subsidy increase for the ROH - £8.83m for the Royal Opera and the same level of increase for the Royal Ballet to £7.17m for 1999-2000. In 2000-01, the first full season in which the two companies will be performing in their refurbished building which will be completed with the support of lottery money, subsidy will rise appreciably from £16m to £20m, with more promised for 2001-02.

There are two points which can be made from the case of the ROH. Firstly, one of the bases of the Labour government’s arts policy - “Art is not elitist” - is highly questionable. Faced with the accusation that the government was actually fostering elitism in the arts, it increased the subsidy for the ROH. Perhaps, the ROH may be
trying hard to escape the criticism of its tendency towards cultural elitism. The new chairman since January 1998, Sir Colin Southgate, the boss of EMI, brought in a board packed with businessmen such as Sir David Lees of GKN. The new executive director since November 1998, Michael Kaiser, who was a noted arts businessman as a money-raiser in American Ballet Theatre, pledged several things such as improving accessibility by reducing its ticket prices by 25% for all but the most expensive seats, and by developing better financial systems. Perhaps, the government and the ACE will take serious action if they do not think that the ROH is carrying out its pledges faithfully. However, the ROH, even after its increase in subsidy, could not escape the criticism of its elitism. The reason is that however hard its business team works, there is always limitation on how far it can cut its ticket price without the aid of a substantial increase in its arts subsidy. Lord Gibson took the case of the Bastille Opera House in Paris. According to him, after recovering from crisis, it has achieved high artistic standards and has been able to offer a good seat for Ffr240 (£24) and an upper balcony seat for Ffr64, with the support of the French government’s annual subsidy of Ffr550m (£55m). Without such a proper level of arts subsidy as the Bastille, the ROH may have been and will remain elitist. Sir Peter Hall argued in 1999;

... in the case of the Royal Opera House, government pressures created an indefensible ‘toffs’ opera which regularly charged £200 a ticket, while drawing a subsidy of £15,000,000 a year from taxpayer. No wonder it was unpopular. 117

In the case of the ROH, the Council’s contradictory attitude was also seen in Gerry Robinson’s abandonment of his policy of “no more blank cheques”, had little
justification for the increase of the art subsidy for the ROH. In order to follow the
decision of the Cultural Minister, Chris Smith, he increased arts subsidy for the ROH.
This is one clear example of how closely the Arts Council was subordinated to its
superior authorities, just as the cabinet members such as Chris Smith were faithfully
subordinated to the Prime Minister.

From the case of the ROH’s subsidy increase, it is not difficult to see the Arts
Council’s traditional practice of preferably funding big prestigious companies. This
practice was also related to economic potentiality which those prestigious companies
could produce—visible and invisible economic returns which correspond to New
Labour’s “creative arts industries”. There has been no systematic research on how
much each national company has generated those returns. However, it is not difficult to
infer something of their significant economic contribution from a range of figures and
facts. As has been noted, in 1986 the arts already generated £140m which exceeded the
Council’s grant of £135.6m. Stephen Daldry’s RNT production of J.B. Priestley’s An
Inspector Calls, which was running in both the West End and on Broadway and also
opened in Japan, Australia and Canada, had been seen by half a million people by
September 1994. According to the National Campaign for the Arts, by the mid-1990s,
“£2 billion per year is generated through arts-related tourism”. With tourist
spending, arts companies pay their employees, purchase supplies, contract for services,
and these activities, in turn, create local jobs, and generate revenue for local and central
government.

For this reason, the policy of “centres of excellence” was still in effect under
the New Labour government. This led to the further deepening of the disproportionate
distribution of arts funding. In December 1998, Chris Smith announced a £125m increase in arts subsidy for a three-year period from 1999 to 2002. Besides the sharp increase for the ROH, the RNT received 9% more - £12.17m, and the RSC 5% more - £8.9m. Moreover, the ACE also used earmarked funds for strategic development to the benefit of large companies. The £7m strategic fund for 1999-2000 was possible owing to the extra cash from the Treasury. It was designed for one-off cases of special need. Among £1.46m distributed by the end of January 1999, the RSC and the Royal Court took £600,000 and £200,000 respectively. Sir Peter Hall, after his application for £500,000 of the fund to enable his own company to perform at the Old Vic met with “a polite rebuff”, he said; “Even if I had been allowed to stage productions at the Old Vic, I would still be saying they are doing a terrible job”.  

By contrast, even after Chris Smith’s announcement of a subsidy increase, small regional or fringe companies, which could not play the same economically important role as large companies could, continued to receive standstill funding. The government and the Council were revealing unreservedly what they considered to be culturally most worthy. Theatre workers such as Nicola Thorold - director of the Independent Theatre Council - criticised this as a “two-tier system”;

I am very concerned that there is a two-tier system appearing. Fifty-five per cent of small and mid-scale companies are on standstill funding. For many of them it is for the fifth or sixth year in a row. The Arts Council says this is a radical budget but it’s a nonsense. They’ve shifted the money to a few by keeping the small companies on standstill ... 121
A gloomy state of the British regional theatre continued. Sir Peter Hall observed;

I don't think they've got the regional theatre remotely right. We're going to end up with almost no regional theatre except for one or two centres, say Leeds and Birmingham. The small houses where audiences learn how to be audiences are disappearing. We're talking about a lot of money to put things right. 122

On 13 July 1998, confirming that "This is the year in which the crisis point for regional theatres has unquestionably been reached", The National Campaign for the Arts (NCA) published "Theatre in Crisis: the Plight of Regional Theatre" which revealed the increasingly conservative and materialistic measures regional theatres were being forced to take in order to survive;

-A cut in in-house productions (e.g. Scarborough's are down 50% over two years).

-A cut in cast sizes (e.g. the average cast size at Derby Playhouse has fallen by 42% over the last two decades).

-A fall in the employment of actors (e.g. the number of actor weeks at the Crucible, Sheffield has fallen by half over the last five years).

-A rise in the share of productions that are musicals from 8% to 17% since 1990.

-Steep rises in ticket prices. The average ticket price paid in England increased by 90.3% between 1986/87 and 1994/95 and in Scotland by 105%.
The suffering regional theatres might have still operated for months and years by paying their staff pitiful wages, but somehow, at the last minute, extra cash was found. Survival for all, however, is by no means certain. Peter Ansorge offered his vivid experience of the gloomy reality of one of the leading regional theatres, the Everyman Theatre in Liverpool;

In February 1996 I attended a performance of a new play at Liverpool’s Everyman Theatre. The play, an accessible two-hander, had been well received locally and my companions assumed that the auditorium would be packed. In fact there were eight people in attendance. ...Part of the reason had to do with economics. At eight pounds a head, even ticket prices at the Everyman were on the steep side. ... As a result, even in Liverpool people are more likely to choose Lloyd Webber than the new Bill Morrison.124

However, if regional theatres have been fortunate in the sense that they, at least, have been able to survive, the left wing political theatre movement was unable to revive itself. Political, economic and cultural conservatism since Thatcher’s government caused its demise. Particularly, after the collapse of the Eastern Bloc and Soviet Union, capitalism seems to have won the race against socialism. Capitalist values swept the world, generating a cultural globalisation in every corner.125 In Britain, arts and culture is already judged in materialist terms. New Labour’s view of “creative arts industries” meant that it was interested in particular arts companies and forms which could generate financial returns. Besides its preference for national companies, New Labour has showed its strong interest in pop music, design, video, film and architecture. For them, small companies and theatre were not efficient “creative industries”. New Labour sharply divided the arts into two – reward worthy and unworthy. Peter Hall strongly criticised this in 1999; “One of the frightening things
about New Labour is its instinctive urge to make the arts conform". He also compared New Labour's arts policy with Stalin's state arts. Whether his criticism was exaggerated or not, one thing is clear. Under the New Labour government, theatre companies found it more and more difficult to gain arts subsidy. After coming to power, New Labour has moved towards authoritarianism in dealing with arts subsidy. It has already outlined guidelines which urged theatre companies to conform — ideological non-opposition, economic viability, utilitarian social work for such things as Tony Blair's "Education, Education and Education!". In this cultural climate, it is impossible to expect an oppositional movement. For instance, unlike most political theatre companies which ceased activity or changed their socialist agenda, the Banner theatre company still retains its oppositional ideology. Currently at the end of the 1990s, the company's main concern was the problem of global capitalism. However, such work was isolated and of much smaller scale than in the 1970s. In addition, mainly due to its ideological opposition, the company has received little subsidy.

There is one particular similar phenomenon in the arts world between the end of the 1980s and the end of the 1990s. The two periods witnessed organised opposition and protest from the performing arts. In December 1988, many theatre people gathered together in an open conference, called "British Theatre in Crisis" at Goldsmiths' College. Here, a "Conference Declaration" of recommendation and protest were signed by many leading figures in theatre, such as Harold Pinter, John McGrath, Caryl Churchill, Timberlake Wertenbaker and Arnold Wesker.

On 12 February 1999 Sir Peter Hall announced the formation of a 'Shadow Arts Council' (SAC) as an informal counterpart to the ACE. Realising that previous
organised protest had been unsuccessful, he said that, this time, the tactic would be “different”; “We want our body to have a guerrilla-like quality”.127 In 24 March 1999 the SAC was launched with huge support from people such as Dame Judi Dench, Harold Pinter, Caryl Churchill, Sir Richard Eyre, Sir Alan Ayckbourn, Sir Tom Stoppard, David Edgar, Howard Brenton, John Tusa, and from hundreds of others including music luminaries, Evelyn Glennie and Harrison Birtwistle. Each had different anxieties about the current situation of the arts directly within their own experience. John Tusa, deputy chairman of the Shadow Arts Council, talked about his anxiety and the role of the Shadow Council;

With a Culture Ministry still inclined to preferring the ‘creative industries’ rather than the arts, with the ACE increasingly managerialised in its methods, the debate about the arts in society is disastrously lopsided. The Shadow Arts Council is there to restore the balance to talk about why the arts matter, why they are not elitist; why they need to cost money rather than earn it, and why a society that turns its back on them risks losing the capacity to understand itself; why media that diminish a serious debate by writing it off as ‘luvvies whingeing’ is about to short-change itself into terminal frivolity. For my part, the arrival of the Shadow Arts Council is the signal for this debate to start.128

Some artists and scholars were doubtful about its impact as they had witnessed the “indiscernible” effect of similar movements at the end of the 1980s. For instance, John Kieffer, director of performing arts at the British Council, politely declined to sign up, saying; “it ends up defending the status quo against all-comers”.129 By the end of 1999, the government showed no sign of changing its arts policies. Gerry Robinson still argued for the impossibility of swimming against the current. He was critical of the emergence of the Council’s informal “Shadow”; “Positive dialogue must include a
readiness to accept change in the arts, not just a harking back to a so-called Golden-Era". Although there has been no tangible effect by the end of 1999, the "Shadow Arts Council" was still shouting at the top of its voice about the government and the ACE. In a society where alternative cultural values are getting more and more marginalised, such an oppositional voice has merit in itself. In a contribution to The Guardian in September 1999, indicating that "The budget for the arts in Berlin is four times what we spend annually on the whole of England", Sir Peter Hall again spoke out;

Our arts are currently in a terrible mess; yet nobody will admit it. It is, of course, largely the result of 20 years of Tory attempts to squeeze subsidy out of the system. But now we have a new danger: new Labour’s ability to paint a rosy picture and manipulate us all into believing it. They confuse excellence and originality with elitism and are terrified of anything that is not populist .... Last month, many of London’s West End and most of our regional touring theatres were sold to an American conglomerate. There was little comment, and market forces have triumphed again .... What will Blair’s Britain be remembered for? The Drama? The films? The television? I’m afraid not. Most of them have been sold off to America already. They will be the Dome of course. And it is a beautiful object. But there is apparently no drama there either: is it not thought populist enough?  

As illustrated above, Sir Peter Hall’s sad observation that the British theatre in the 1990s was “paying for the excess of the Eighties” was far from wrong. In the meantime, against the financial hardship felt by most theatre companies, the National Lottery, which could be described as a casino economy, was held up as a sign of hope. This study will now turn its attention to the examination of whether indeed the Lottery has offered real hope for the adequate funding of the British arts in general and the theatre in particular.

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3 Ian Brown and Rob Brannen, *Op cit.*, pp. 376-377. In the 1990s, the success rate for application changed little; “for 1992-94, 26 per cent (35 out of 135), for 1994-95, 32 per cent (29 out of 92), and for 1995-96, 23 per cent (26 out of 112)”. [ibid., p. 337]  
4 Quoted partly from *Facts About the Arts*, *Op cit.*, p. 17.  
10 Devolution of arts funding had been steadily progressed until 1998 when the ACE’s new chairman, Gerry Robinson, tried to make a radical devolution. [see footnote no. 103]  
13 Ian Brown and Rob Brannen, *Op cit.*, p. 376. The two men suggested comparative figures for funding of building-based companies, mostly regional theatres, in 1993/94 and 1986/87, adjusted to 1993/94 terms, to indicate how serious regional theatres’ economy had been. According to the figures, subsidy from Local Authority and the Arts Council increased 8% and 3% in real terms respectively. On average a mere 5% increased. However, considering one-off extraordinary ‘tombstone’ funds given by metropolitan counties to a number of companies as a result of their abolition in 1985/86, the local authority base figure for 1986/87 would be less than 8%. This means that the real increase on average would be less than 5%.  
14 The gainers included Birmingham Rep, the New Victoria Theatre, Newcastle under Lyme, the Nuffield, Southampton. The losers included the Lyric Hammersmith, Sheffield Crucible, and Liverpool Everyman.  
17 In terms of finance, community works help regional theatres. The works often attract huge interest from the people in that community, so the business sponsors, whose marketing primarily aims at those people, show their willingness to support the works.  
18 The Arts Council also encouraged regional theatres to co-operate as a means of coping with the harsh financial reality. In October 1995 the Council, co-operated with Barclays Bank, set up a three-year £2.5m scheme aimed at encouraging regional theatres touring partnerships. The Council, realising little hope of subsidy increase, believed that co-production spelled the future for regional theatres.  
19 Many TIE companies closed down during the 1990s largely due to lack of finance. Local Management of Schools delegated budgetary responsibility to individual schools. These schools did not have enough resources to spend for TIE companies. As a result of this, services provided by the TIE were cut. There was evidence that regional theatres took over some of TIE’s role. In return, the theatres received some financial support from local authorities. The Council’s 1993-94 report noted that 24 regional theatre companies had education posts.  
22 In 1999 Gerry Robinson, Chairman of the ACE since 1998, successfully persuaded the government to adopt a radical US-style tax scheme which allow business sponsors to offset most of their cash gifts against tax. This new scheme, coming into effect in April 2000, would cost donors only £200,000 to give £1m to the arts.  
24 Their conservative taste in arts can be evidenced by the fact that the largest sponsors’ money has been given to ballet, opera and orchestra companies, whose productions tend not to be politically, morally or socially contentious.

26 According to the Arts Council's analysis of 'Overall Repertoire for Arts Council Building-Based Theatre Companies', the increase in musicals was more than doubled from 8% in 1981-85 to 18% in 1990-95, and adaptations from 5% to 13%. [Jan Brown and Rob Brannen, *Op cit.*, pp. 380-81]


29 *Financial Times*, 'Cats leaps to the top - Sir Andrew Lloyd Webber is celebrating milestone', 27 January 1996.


32 Ibid., p. 21.


44 According to Baz Kershaw's analysis, the number of small-scale touring companies had its peak, 220, in 1985/86. After than, it was in a decline, 187 in 1990. [Baz Kershaw, *The Politics of Performance, Op cit.*, p. 49]


48 According to Baz Kershaw's analysis, the number of small-scale touring companies had its peak, 220, in 1985/86. After than, it was in a decline, 187 in 1990. [Baz Kershaw, *The Politics of Performance, Op cit.*, p. 49]

49 For instance, Deborah Warner, who had founded the Kick Theatre Company to produce modern classics, was offered by contracts by the two national theatres as news of her theatrical qualities for classics spread beyond the fringe circuit.


52 Jenny Killick became the first woman director of the Traverse Theatre in Edinburgh in 1985. She was committed to new writing, taking the charge of commissioning new writing. After going freelance in 1985.
1991, in the early 1990s, she directed Edgar's *The Shape of the Table* (1991) and Daniel Momin's *At Our Table* (1991) at the National Theatre.

There were two other directors with whom Jane Edwardes interviewed. Annabel Arden and Simon McBurney, who was trained in Paris by Jacques LeCoq, Philippe Gaulier and Monika Pagnieux, began their work in 1983 by opening Theatre de Complicite. Focusing on actor's physicality, their work has had little to do with text-based new writing.


In Edgar's view, "The decline of the dominant role of men - in the workplace and in the family - is probably the biggest single story of the last thirty years in the western countries, and it has given a whole generation of young male playwrights - and some women playwrights too - a subject to embrace". [David Edgar, *State of Play, Op cit.*, p. 28].


Stephen Daldry decided that he would leave when his contract expired in September 1997. In August, Ian Rickson succeeded Daldry, but he stayed on as Director of the Royal Court, with a contract which would run until the Court returned to a refurbished building in Sloane Square, finally 16 February 2000.


Ibid.


There were several plays of this kind. Amongst others, Kay Adshead's *Thatcher's Women* (1987) examined how three female Mancunians turned to prostitution in the dismal social context of the early 1980s. Judith Johnson's *Somewhere* (1993) explored how and why an ebullient group of school-leavers went bad. Trevor Griffiths' *Thatcher's Children* (1993) investigated how individual lives were shaped by Thatcherite social and political ethos. Trevor Griffiths stressed the message of his play in the post-Thatcher era; "We have to learn to describe the world again. Especially how to get from the I to the We". [Trevor Griffiths, quoted from Michael Billington, *The Guardian*, 24 May 1993, p. 7]


Jonathan Harvey's *Beautiful Thing* is one of the exceptions. As its sub-title - "An urban fairytale" - indicates, *Beautiful Thing* is far removed from fringe-political and a gay campaign tradition in the 70s and 80s as performed by the touring company Gay Sweatshop. It deals with gay issues through two gay teenagers' homosexual awakening, but it does not make an angry voice on a society prejudiced against homosexuals, but in an optimistic way, portrays people battling to come to terms with the difference in their lives, and trying to accommodate variety of sexuality within families and relationships.

Quoted from Mike Ellison and Alex Bellos, 'Blasted: a deeply moral and compassionate piece of theatre or simply a disgusting feast of filth?', *The Guardian*, 20 January 1995, p. 22.


Tony Blair's speech at the Mansion House, 3 February 1997, quoted from website of National Campaign for the Arts: http://www.ccna.org/nca/blair.htm
In September 1998, the ACE approved cutting its workforce from 322 to about 150. Gerry Robinson also announced on 14 October 1998 his plan for radical devolution. Thirty-six companies funded directly by the ACE such as the Royal Court Theatre were doomed to be devolved to the 10 Regional Arts Boards which had been often viewed as “second-class outposts”. Hoping to keep its position rather as a national strategic body for the arts, the ACE began a final process of devolution, taking its responsibility only for the leading national companies - the Royal Opera, the Royal Ballet, the Birmingham Royal Ballet, English National Opera, the Royal Shakespeare Company, the Royal National Theatre and the South Bank Centre.


Financial Times, 1 July 1998, p. 16.


These included “reducing inflated salaries, especially among middle managers; improving stage crew working agreements and the productivity of the chorus and orchestra; and developing better financial systems”. [Richard Eyre, quoted from Financial Times, 11 July 1998, p. 8]

Gerry Robinson, quoted from Financial Times, 22 May 1998.

Gerry Robinson’s annual speech, quoted from The Guardian, 15 October 1998, p. 3.

Financial Times, 19 December 1997, p. 17

Ibid.


National Campaign for the Arts, quoted from its website: http://www.ecna.org/nca/keyfacts.htm#Funding Issues.

Surprisingly, in December 1998, Chris Smith received a total of extra £290m for his department for a three-year-period. He consequently announced a subsidy increase of £125m for that period. Days later the chairman of the ACE, Gerry Robinson announced a 15% increase in the budget of 218.8m for 1999-2000, and the expected figures for 2000-01 and 2001-02 were £228.7m and £243.6m respectively. Although there were still complaints that the extra money was not sufficient for the suffering arts companies, and came too late, it did seem to be, however, a welcome sign for the future of British Arts in general.


Nicolia Thorold, Ibid.

Sir Peter Hall, Ibid.


Adam Hochschild, an American journalist, gave his personal experience of how “a powerful force globalisation was” - a force “that moulds minds, tastes, values”. He happened to be the first American working in Omsukeyhan, in the far north-east corner of Siberia in 1991. In a “dingy” little hotel where he was staying, there was a TV. He wondered: “What did they have on TV up here at the top of the world?” He turned it on and found a CNN (Cable News Network) programme in which a woman multi-millionaire, to whom he had sat next at a dinner party in LA, was telling how she made her fortunes. He was shocked by a cultural globalisation that American values was already exported to remote Siberian town before any live American reached it. [Adam Hochschild, ‘Globalisation and Culture’, Economic and Political Weekly, vol. 33, no 21, 23 May 1998, p. 1235].

Sir Peter Hall, quoted from The Guardian, 11 August 1999, p. 3.


Chapter IV: Lottery, A Crusader?

Lottery money can only supplement, not replace, our core subsidy ... we do not imagine that the Lottery alone will be the salvation of the arts. It can never be a justification for the withdrawal or erosion of central or local government funding: if anything, it increases government's responsibility to maintain a stable financial environment for innovation and excellence.¹

Britain had a long lottery tradition. It is recorded that the first was launched in 1569. Since then, Lotteries in the UK have been frequently held mainly for public purposes. For example, the first 1569 one was held principally to raise money for the repair of the Cinque Ports, and the 1739 lottery was held for the building of Westminster Bridge in 1739. By then, lotteries had become respectable government undertakings. However, there was strong opposition to state lotteries at the end of the 18th century because of illegal practices and the social evils to which these practices apparently gave rise. A Select Committee of MPs concluded in 1808 that as a result of the lottery and illegal gambling on its outcome, "idleness, dissipation and poverty are increased, domestic comfort is destroyed, madness often created".² The state Lottery disappeared in Britain in 1826. Its abolition indicated that a lottery was not a desirable method for raising government funds. From the 1920s opinion changed again and small lotteries were legalised in the UK.

The establishment of the current National Lottery began with a recommendation by the Royal Commission on Gambling of 1978 which concluded that a lottery "would not be socially harmful".³ Its introduction seemed imperative in terms of "restoring the fabric
of the nation”. This was particularly true of the arts and theatre world. After Jennie Lee had been established as the first Arts Minister under the Harold Wilson government, there was a significant increase in revenue grants for the arts, and the government appeared willing to spend money on capital projects. Lee’s *Policy for the Arts* (1965) established the *Housing the Arts Fund* which funded “Centres where light entertainment and cultural projects can be enjoyed” with “additional amenities (restaurants, lecture rooms) at existing centres”. However, since 1984/85, the Arts Council of Great Britain has almost ceased to fund capital projects as the Thatcher government restricted its public spending. Lack of capital spending has caused the run-down of many arts buildings. As far as performing arts and the theatre are concerned, new resources have been urgently needed for repairs and maintenance. Despite doubt and criticism of its introduction, a redeeming feature of the lottery has been the millions of pounds that have been made available for worthwhile purposes which would otherwise be impossible to fund from the government’s limited resource.

The worthwhile causes were illustrated in A Home Office White Paper: *A National Lottery: Raising Money for Good Causes*, published in March 1992. According to this paper, the lottery money should be spent on four “good causes” - arts, sports, heritage and charities. A fifth good cause for projects to mark the new millennium was added in 1993. The 1998 National Lottery bill also included a sixth good cause - the New Opportunities Fund for education, health and environment.

In the meantime, the Department of National Heritage (DNH - now Department for Culture, Media and Sport, DCMS) was formed in 1992 in order to introduce legislation for the establishment of the Lottery, and to set up the lottery distribution
mechanisms and the National Lottery Distribution Fund (NLDF). The current National Lottery, which John Major described as "a people's lottery", was finally launched in November 1994.

The seven-year operating licence went to Camelot plc which would take responsibility for fulfilling all the commitments including the Distribution Fund for the good causes. Over the seven-year period, a proportion of about 28% of total sales was expected to be distributed to the good causes. For each of the five good causes, corresponding distributing bodies have been established: the Millennium Commission, the National Lottery Charities Board, the Heritage Lottery Fund, the four regional Sports Councils and the four regional Arts Councils. They share equally the expected 28% of the lottery money which is provided from the NLDF (20% each).

Camelot, the lottery licensee, estimated that £1.54bn a year would be generated for the five good causes once the Lottery was running at full scale and with the introduction of a scratch card version in 1995. It has, however, been more successful than originally expected. In the first year of its operation, 1994-95, annual turnover reached nearly £5bn. By 1997 it would raise £4bn for the good causes. The original target, £9bn for good causes by 2001, was amended in 1997 by Camelot to £10bn. The ACE received more money from the lottery (£220m) than from the government (£185m) in 1998. Of course, this was due to the fact that people's lottery enthusiasm was undiminished. For instance, in 1997 they spent £5.4bn, with £1.5bn contribution to the good causes.

The current Lottery has been developed at least in part for the "public good" in the sense that lottery money, which comes from the public's pocket, has been used to do what
the government, otherwise, may have to do with taxation. Thus, decisions about the
distribution of funds can affect every member of society. Precisely for this reason, many
questions can be raised. This study will deal with two matters in connection with the
performing arts and theatre. Firstly, has the distribution been fair? If not, who/which has
benefited most? Secondly, what is the implication of several years’ frozen arts subsidy
with regard to lottery spending for capital purposes?

In distributing lottery grants, the ACE has not been allowed full authority in
deciding who/which to fund. This is because its decision is based upon government
guidelines on Lottery grants. There are four such guidelines. Two of them significantly
related to the performing arts and theatre are; that “funds should be spent predominantly
on capital projects;" that grants should be made to organisations which have already
raised significant partner funding". Under the guidelines, the Council’s Lottery Advisory
Board embarked on “consultative roadshows across the country”. After this, Jeremy
Newton, the first director of the Lottery Department set up in 1994, “added four additional
criteria; the quality of artistic activities; their relevance to national, local and regional arts
development; the role of artists in developing projects; and provision for education and
marketing”.

The government guidelines and the subsequent criteria by the Council mentioned
above are the starting point of a consolidation of cultural elitism. This is demonstrated by
the government’s demand of “partner funding” - an obligatory requirement for all Lottery
applicants to raise a significant level of support from non-lottery money. The Council, in
response to the government’s demand, set up minimum partnership funding requirements;
organisations applying for more than £100,000 needed at least 25% partnership funding; applicants for £10,000 or less needed at least 10%.

In theory, the partnership funding scheme seems excellent. Only serious, well-supported arts organisations would receive lottery money. In practice, however, it seems not as excellent as all that. Particularly for smaller companies, this seems nothing more than discrimination. Partnership funding comes from a variety of sources from small fund-raising to private donations. The biggest comes from business sponsors and private foundations. If we accept the claim that business or private sponsors have displayed their preference for middle-brow prestigious companies, it is not difficult to assume that small regional or experimental arts groups have struggled to find corporate friends. London-based big companies seemed able to raise partnership funding easily. For instance, the Royal Opera House received more than £10m from Lord Sainsbury, and from Vivien Duffield who has been a fund-raising friend of the ROH, and by July 1997, when it was temporarily closed for two and half years for redevelopment, it had already raised £70m out of the £100m target. The Royal Court was also able to obtain £3m from the Jerwood Foundation in return for putting a new theatre name above its main entrance - 'The Jerwood Theatres at the Royal Court'. Moreover, when the ACE was doubtful about "whether sufficient [partnership] funding" would be "forthcoming from the corporate sector",13 because of its realisation that business sponsors were less keen on capital projects of "bricks and mortar" than event-by-event projects, such as live arts for the young, which can offer much clearer advantages for their marketing,14 it helped the prestigious companies by even bending its own rule of matching cash.15 On the other hand, many small regional theatre groups, typically those who are not as attractive to sponsors as the prestigious companies, have become marginalised from lottery benefit.
Until 1998 when New Labour with its *People's Lottery Bill* announced its abolition, the partnership funding had acted as a huge discouragement to them.

An abstract criterion maintained by the ACE, "the quality of artistic activities" in deciding who/which to support with Lottery money, was another clear path towards cultural elitism. In view of its traditional role - preferentially supporting "centres of excellence", the distribution of Lottery funds is also highly susceptible to this rule. Wendy Harris, Artistic Director of Red Ladder from 1998, questioned "who decides where the lottery money should goes to".16 Graeme Evans, the then Director of *Centre for Leisure and Tourism Studies* at the University of North London, offered a critical analysis of this. He predicted in 1995 just before the first announcement of the Lottery awards, that the Lottery money would be given to agency clients by the established providers. He foresaw, thus, that non-traditional art-forms or the hitherto unrecognised cultural expression of minority groups would offer "limited scope to bid for Lottery grants".17 As a simple reason, pointing out what he considered to be "overtly political appointments to national and regional arts councils", he argued that "the appointment of professional grant assessors by Lottery boards has effectively completed" the "hegemony rules".18

His claim was quite convincing. In 1998, many, perhaps most, of the ACE members of the Advisory Panel on Drama, which represents the interests of the English theatre, and discusses lottery distributions within the English theatre, consisted of members of the establishment theatre. Thelma Holt, the chairman of the Panel, was artistic director of Roundhouse in the 1970s, and is a theatre producer in the West End. Alan Ayckbourn is the most famous playwright in the commercial sector. Jude Kelly is director of the West Yorkshire Playhouse. Sam Mendes was the director of the Donmar
Warehouse. Michael Attenborough is a Royal Shakespeare Company director and son of Lord Attenborough. There were also senior figures from the RSC, the RNT and the Barbican Centre. It would be odd to expect that their interest lay not in 'centres of excellence' than on small fringe ones.

The hegemony rule seems to have clearly been demonstrated in the case of the relationship between the former chairman of the National Lottery Advisory Panel, Peter Gummer, and the former ACE’s Secretary-General, Mary Allen. Gummer was the chairman of Shandwick PR organisation at that time. He was also said to be a passionate lover of opera and dance. In 1995, he chaired the Panel which at that time promised the London Opera House £78.5 million for its redevelopment. He resigned as Panel chairman on 20 March 1996. The reason for this was his appointment as the chairman of the ROH. His appointment was very “odd”, as Financial Times indicated, because he was the man who had been “chairing the lottery advisory panel”, which “promised” the House “loadsamoney” for its redevelopment. Mary Allen was confidentially appointed to the post of chief executive of the ROH in May 1997, without the ROH advertising the post. It was her former close colleague in the ACE, Peter Gummer, who requested her appointment. Her contract with the ACE was to end in September 1997, so she still had four more months to work in the ACE when the appointment was made in May. Concerning her appointment, Gerald Kauffinan said; “Here was an Arts Council employee, laying down terms on which she would leave her post behind the back of her chairman, to take on another job funded by the Arts Council”. In the eyes of Graeme Evans, these two cases were surely operated by the “hegemony rules” - the dominant class’s tactics for making social organisations and institutions which work in their favour appear “legitimate and natural”.

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Just as arts subsidy has traditionally been concentrated on big prestigious companies, so the lottery money has been disproportionately allocated to those companies. The government’s prerequisite for lottery money, partnership funding, and the Council’s abstract criterion as a means of measuring support, “the quality of artistic activities”, have functioned to produce disproportionate allocation. By June 1996, Lord Gowrie announced that; “the arts councils ... have made 1,200 awards to the tune of £471m. Over 75% by number of those awards have been less than £100,000 in value, demanding 10% in matching funds only”. He added that “Surely this gives the lie to perceptions that all we do is to provide finances for large and prestigious organisations”.21 It must be said that from the viewpoint of the figures, the Council indeed seems to have fairly distributed the money.

However, in view of the proportion of money, it cannot be claimed to have been fair. On 13 May 1999, in a report to the House of Commons public accounts committee, the National Audit Office (NAO) criticised the way the Council was dealing with large capital projects which resulted in over-budgeting and serious delays. For instance, the NAO criticised the Council for paying lottery money to the Royal Opera House whose “management and financial information system had broken down catastrophically”.22 The NAO revealed another fact. Since the Lottery operation, approximately £1bn has been allocated to thousands of arts organisations. However, 28 of the largest multi-million developments have taken more than £500m out of that £1bn, including tens of millions of pounds refurbishment projects for the Royal Opera House Covent Garden (£78.5m) and the Royal National Theatre (£42m) and a several-millions pound project for the Malvern Festival Theatre (£5m).
Although it is understandable that large prestigious companies, which can be regarded as representatives of British arts and which can make a significant contribution to the tourist industry, should receive capital injections from the Lottery, the disproportionate percentage of money distributed was critical. The fact that only 28 companies received the lion’s share of lottery money has critically damaged the ACE’s credibility, provoking charges of elitism. The single project of the ROH (£78.5m) has taken more than three times as much money as the total spending of the “one-off” project of the A4E (Arts for Everyone) Express Small Grants Scheme (about £22m), through which in 1996/97 the ACE distributed grants of up to £5,000 to over 5,000 small groups and individuals. This fact directly supports Graeme Evans’ claim that “given the reassertion of the hegemonies through the Lottery agency system, popular requests are not being sought - ‘pay up and play the game and leave the rest to us’ is the party line”.23 In this way, what John McGrath described in his book, The Bone Won’t Break, as “the standardisation of culture” can be consolidated through lottery funding. In these circumstances, it is worth noting the comment below;

... the huge distributions to ‘good causes’ were divisive, sometimes contributing to the growing process of social exclusion in the country. Huge grants continued to be made to institutions, be they football grounds, Domes or theatres, whose admission charges barred poorer lottery players from access to the very places they themselves had paid for. 24

From the first year of lottery operation, 1994-95, the Arts Council of England received more money from the Lottery’s Arts Board (£250 million) than from the government (£186 million). This was a delight for the prestigious companies. Stephen
Daldry, artistic director of the Royal Court, was fulsome about the benefits of the lottery scheme at a time when the Royal Court, for its rebuilding, moved from Sloane Square into the Duke of York’s and the Ambassadors in the West End. He said; “the lottery potentially gives us a Marshall plan for the cultural infrastructure of the nation. ... this period will be the largest and greatest theatre building period since the late Victorian age”. Numerous extravagant new buildings have begun to emerge in the late 1990s. The Royal Court had an opening night with Conor McPherson’s play Dublin Carol on 22 February 2000 after completing £28m refurbishment. The building boasts a multi-functional proscenium arch and a comfortable auditorium with leather-covered seats with individual arm-rests, larger foyer spaces, a glass lift and a new restaurant. It is not difficult to see that a lot of money was needed to construct such extravagant theatre building as the new Royal Court.

In contrast to increasing money from the lottery, the government grant has remained at a standstill. In the Secretary-General’s words, “the grants to most regularly funded organisations have not increased for four years - a real terms reduction since 1993/94 of 9%, which will reach over 11% by 1997-98”. New Labour also cut the grant by £1.5m for 1998-99. In 1996 Lord Gowrie already pointed out a contradiction between the huge capital influx from the Lottery and the continuous cuts in grant from Treasury;

... there is confusion in the public mind - expertly exploited by the Treasury - between the rules that govern the Lottery awards and the rules that govern the grants that we make for the support of the arts with the money Parliament votes to that end. It is felt that the arts are doing all right, and perhaps are even rather spoiled, so what on earth is the Council doing moaning about cuts and demanding more money? The short answer is that we are not allowed to use the Lottery to look after the arts themselves. We can build shining new palaces of culture ... But we cannot fund what goes on inside them.”
Basically, as has been briefly noted, the ACE had to be adamant about the use of lottery money on the basis of capital purpose only. The Council stated that it could “only distribute [lottery] money as endowments or revenue grants where such costs are associated with a capital project which has received or expects to receive money”, and where “the project would otherwise not be completed because there is no other source of finance”. Despite the gradual compromise particularly by the New Labour government, a few years after the lottery commenced, its money had been mostly used for capital projects. A couple of problems arise from a scheme of capital projects. One of these is that extravagant buildings and elaborate facilities built with millions of pounds of lottery money can turn into, at the worst, useless “palaces”, failing to attract audiences while consuming huge extra running costs. This is particularly true if the company’s income, of which government subsidy makes up a substantial proportion, is not sufficient to run its operation. There was already a case in point. During the 1960s and the early 1970s, many extravagant regional theatres were newly built. The economic recession caused by the abrupt rise in the world oil price led to the escalation of the cost of running those theatres. Despite a significant rise in arts subsidy, the extravagantly built regional theatres had to economise in every way owing in consequence of soaring inflation.

The situation in the late 1990s was similar or even worse. Many newly built regional theatre companies faced funding cuts particularly as a result of government rate capping of county councils. As Lord Gowrie pointed out, there were “too many companies struggling for survival rather than achieving the superlative". For instance, in March 1997, Oxfordshire and North Yorkshire decided to virtually eliminate funding of local
theatres in an effort to reduce their deficit. As a result, the Oxford Playhouse, which received £2.5m from the lottery, lost its £45,000 grant. In 1997 the Stephen Joseph Theatre in Scarborough, which received £1.48m from the lottery, faced the same thing, losing much of the £78,000 it received from North Yorkshire. The first big lottery project, a refurbishment of the Cambridge Arts Theatre in 1996, brought it to the brink of closure at the end of the 1998. The refurbished smart new restaurant, which was expected to finance some of its extra running costs, failed to hit its target. Just like the extravagantly built regional theatre companies in the 1970s, the refurbished regional theatre companies in the 1990s, with no increase in their arts subsidy, have also had to economise by relying on conservative and materialistic programmes - with fewer actors, fewer staff, few new plays, rises in ticket prices, and populist repertories - in order to keep their extravagant buildings running.

With the governments’ subsidy continuously restrained, there has been a growing controversy over whether it is best to use lottery money only for capital purposes. The controversy emanated from the arts organisations, particularly touring companies and financially suffering regional companies, and was conveyed through the Chairman of the ACE to the Culture Minister, Chris Smith.

Touring companies like Red Ladder, for which theatre buildings are not urgent concerns, do not need to apply for new theatre buildings. Although most of them, even politically committed theatre companies like Banner Theatre, have received lottery money in one way or another, they could not take the same advantage of lottery money as the big prestigious companies because of the restriction of lottery money for capital purpose only. Red Ladder, which received £68,318 for its equipment of a van, a copy machine and
computers, has never actually applied for funding for a theatre building. Wendy Harris, Artistic Director of Red Ladder at the end of the 1990s, argued;

So far a lot of lottery money has been given for buildings and equipment. But not every organisation needs them. What is more important is the creation of artistic work with arts subsidy. I do not think that we can just have a building without people. The two have to balance very carefully. 30

Although financially suffering regional theatres must have welcomed the allocation of lottery money to alleviate their immediate financial hardship, after the Contact Theatre in Manchester managed to receive £4.5 million in 1995, Patrick Martin, its Administrative Director said;

A real cut next year would be very hard. 31 If we could take 5 per cent of our lottery award and apply it to our revenue budget ... it would transform our organisation ... we were heartened by reassurances from John Major that lottery money would not be used to restore mainstream funding. But many suspected those assurances would only last so long, and the temptation for the Treasury to start raiding the kitty would be too great ...

As has been briefly mentioned, there has since been a change in the allocation of lottery money from capital purposes only to its use for revenue grants. The House of Commons endorsed the change in April 1996;

New rules will allow revenue funding to support initiatives which could not have occurred without the availability of Lottery funds. We shall invest more in our young people to enable them to develop their potential 33
Accordingly, in 1996 the ACE announced, on a Pilot basis, its first Arts for Everyone (A4E) Express Small Grants programme. It offered “one-off revenue grants” to any existing arts company, either a small group or an established organisation, as long as they had “an established record” which accorded with the five aims outlined by the ACE such as “supporting new work, and developing its audience”. Another was a “stabilisation” programme introduced in September 1996, which, basically, was a consultancy programme which aimed to help financially suffering companies to keep working. Its most attractive aspect was, however, its capacity to wipe out financial deficits. If they qualified, after an examination by the consultants Coopers & Lybrand, companies were able to use “the additional funds to implement their stabilisation strategies and reduce existing liabilities”. The ACE launched its pilot scheme in January 1997 with £7m. 15 companies were chosen from 129 applicants, including the Birmingham Repertory Theatre (£5.77m), the West Yorkshire Playhouse (£2.64m), and the Tara Arts company (£606,000).

Since 1997, the ACE has been allowed to spend lottery money on limited revenue projects for such things as new and experimental work. Lord Gowrie was still not satisfied and demanded “fast changes”; “We should also move as fast as possible towards agreeing with the Government a better balance between capital and revenue needs for the arts funding system as a whole. This would require changes to the existing Lottery legislation”. If lottery money is allowed to be used for revenue grants, there may be the so-called “substitution” - lottery money as an alternative to arts subsidy. This is highly likely. Precedents from other countries have shown a shift from additionality to
substitution. There has already been a growing suspicion of substitution among MPs; "Further arts funding cuts could fuel suspicion that lottery funding was being used as a substitute for government grant-in-aid ... It indicates that MPs are beginning to take seriously the fears of substitution ... and view with mounting disquiet the reductions in arts spending ... The committee called for ‘continual vigilance’.”

However, Major’s government tried to, and more or less, managed to maintain the additionality principle. Perhaps, Major’s government appears to have listened to such people as Lord Gowrie who consistently insisted that “Lottery money can only supplement, not replace, our core subsidy, and the Lottery alone will not be the salvation of the arts”. Just before the commencement of the National Lottery, the Major government confirmed the additionality principle in its White Paper in 1993;

The Government is firmly of the view that the proceeds should not be directed towards the main area of public spending, and that it would be inappropriate for the lottery to be seen as a way of funding the National Health Service, education or similar programmes. ... The Government does not intend that money provided from the lottery should substitute for that provided in other ways.

John Major reaffirmed that Lottery funds would only be additional to existing state funding;

On the Government’s side - Treasury, please note - we will make no case-by-case reductions on conventional public spending programmes to take account of awards from the lottery. The money raised by the Lottery will not replace existing Government spending.
The then opposition Labour Party also affirmed the principle. Thus, the principle was endorsed as a consensus among the political parties. However, with Blair's New Labour government, things changed. In order to win the 1997 general election, New Labour had promised not to raise taxes, and promised to maintain Tory's spending plans for two years. This, in turn, meant no increase in arts subsidy for at least two years. A drastic change in the use of lottery money for revenue purpose looked, therefore, attractive to New Labour in order to offer a lifeline to arts organisations most of which had suffered from standstill arts subsidy. Lord Gowrie's demand for a fast change to the use of lottery money for revenue grants was echoed by New Labour's Cultural Minister Chris Smith; "With the advent of the National Lottery we have that quantum leap in the availability of funding, but it is being wholly focused on building and institutions. I am not sure that that's necessarily the best way to proceed".41

The 1998 Lottery Bill suggested that grants could be much more "flexibly" used for "investing in people", particularly in "young people".42 In Chris Smith's words, "We've turned the emphasis away from bricks and mortar to support for people and activities".43 Chairman of the Arts Council, Gerry Robinson, thus, talked "in terms of a £405m-a-year arts budget, merging £185m annual grant with the £220m from the lottery". He anticipated, in May 1998, that by the next year the Council's spending for new buildings "will have dropped to nearer £150m", whereas its revenue spending for arts activities "will be about £250m".44 Lottery money now came to arts organisations in the form of revenue grants. In 1999 Tony Blair still maintained that "We don't believe it would be right to use Lottery money to pay for things which are the Government's responsibilities",45 but it is hard to accept his claim for what it was.
New Labour's inclination towards substitution was further demonstrated beyond the area of the arts. John Major severely criticised New Labour's White Paper, *The People's Lottery* which led to *National Lottery etc. Bill* (1998), and which subsequently amended the distributional formula in order to create a New Opportunities Fund. He argued that the New Labour government was taking money from good causes to fund areas normally funded by general taxation. In his view, the New Opportunities Fund, which aimed to promote health and the training of teachers, was equal to a "smash and grab raid" on the lottery. He had good reason to be angry, because in the UK health and schooling have been traditionally key government responsibilities. The former heritage secretary said; "The additionality principle has been breached, the jackpot winners are the Treasury, and the successful lottery will be seriously damaged".

By the end of the 1990s, only five years after the Lottery began, it seems difficult to trust the promises of "additionality", and thus, also difficult to give credence to what the ACE's lottery director, Jeremy Newton claimed in 1994; "We're keen not to blur the distinction between the grant and the lottery money, so that the Government isn't tempted to break its promise not to allow lottery money to become a substitute for the grant".

Outside the battles between the political parties, as far as the performing arts and theatre is concerned, whether lottery grants are made on the basis of additionality or of substitution seems not so important, because it appears that any lottery money spent on the arts, sport, heritage and culture is somehow, by definition, additional. What is more important to them is whether there is a friendly policy to alleviate their financial hardship. If a switch from additionality to substitution takes place, on the one hand, most suffering
arts organisations may see some recovery after years of financial hardship. On the other hand, however, there will be a strong possibility that the government's own arts subsidy may be reduced in the future, handing over much of its own financial responsibility to the Lottery. The subsidy was sharply cut by £6m in cash terms in 1996-97, the year the lottery funds for the arts began to be distributed full-scale. New Labour announced its first arts budget cut by £1.5m in cash terms in 1997. The Council's Chairman Lord Gowrie said in 1997; “Huge capital inflows led the Treasury to cut our small revenue. As a result, we are suffering the worst arts revenue crisis in my adult lifetime. ... Additionality went out of the window with the first cash cut that we received". Maggie Saxon, Managing Director of the West Yorkshire Playhouse, after witnessing these cuts, showed her concern about the future of arts subsidy; “If the lottery money goes into revenue funding, then we may see in the future that a huge reduction in revenue funding from the central government is highly likely”.50

The Lottery cannot become a major source of arts funding. As Lord Gowrie argued, it can “not be the salvation of the arts”. Its income is unpredictable. In addition, no one can predict how long the current lottery will last, and how long the lottery phenomenon will continue. When the current lottery is proved to be a poor method of raising government money, it will probably be doomed. Arts provision, which is essential for the quality of people's life, should not be dependent on an unreliable source of funding. David Edgar argued that “however admirable Labour's planned Lottery-funded National Endowment for Science and the Arts might be, there is no point in giving one-off grants to young artists if there is no national policy to sustain institutions dedicated to their work".51 This is why the government needs to maintain a proper arts provision against the worst, even if a consensus emerges for substitution. In this regard, it is worth listening to
the reason why the 1978 Royal Commission on Gambling ominously wrote about the
“assumption” of the Lottery’s success at the end of their chapter of the National Lottery;

Finally, the whole of this chapter is predicated on the assumption that the
Government will not penalise those organisation which benefit from the national
lottery by withholding funds which they would otherwise have got, or reducing
them if they are already being supported by the general exchequer.52

However, as has been noted, in December 1998, the government surprised the arts
world by announcing an increase in arts subsidy for 1999-2000. The increase was,
however, not beneficial to all companies, with the leading national companies taking
most. Indeed, the subsidy increase for them was inevitable because more money was
needed to run their extravagant buildings which consume huge running costs. After
conducting an inquiry into the Royal Opera House, Sir Richard Eyre, in a letter to
Robinson, already said that the ROH needed its subsidy “to double to around £30m a
year” to make its building work. In addition, in order to conform to one of the
government’s guidelines of what the arts should do - improving accessibility, the ROH
and others had to cut their ticket prices. If the ROH cut its ticket prices as its Chairman,
Sir Colin Southgate, intended - a cut of 25%, this would cost about £10m a year. It is
assumed that the government and the ACE found it difficult to resist its demand for more
money, simply because they did not want to their shining buildings’ becoming unused
“palaces” through lack of financial support. While lottery money was disproportionately
distributed to the leading national companies, another subsidy increase was awaiting after
refurbishment. The Royal Court, after moving back into its redeveloped Sloane Square,
was given a sharp 45% rise in arts funding.
The Lottery grant, distributed from 1995, could have had an important financial role in establishing a healthier soil for the arts and theatre than previously. Although it has made a significant contribution to changing the external appearance of British arts and theatre, it seems to have failed to do so to the infrastructure. In terms of amount, funds have been disproportionately distributed in favour of 'centres of excellence'. In addition, the government’s continuous squeeze on arts subsidy has made many theatre companies harder to run in their refurbished buildings. Under the circumstances, a shift from additionality to substitution seems to have become inevitable, which in turn may lead to the decrease of arts subsidy in the future. Even after Labour government announced the funding increase of 1999/2000, it was the leading national companies that mostly benefited. In this sense, the distribution of lottery money, just as the distribution of arts subsidy, has been a further demonstration of the move towards cultural elitism.
2 Quoted from Litvonov & Tomkins, ‘Redistribution to the rich’, *The Economist*, 5 November 1994, p. 25.
5 The Council’s incentive funds have included an element of capital expenditure for successful clients under competitive ‘challenge’ schemes, but these have lasted for a short time and have been effectively superseded by Lottery expectations.
6 Many people have argued that direct public expenditure from fair and progressive taxation was a much better way than the lottery which has resulted in many serious problems - a form of implicit taxation on the poor and a tendency to lead to addictive gambling, particularly, under-age gambling.
7 The proportion has been varied according to the level of sales. If sales increased, a higher proportion would go to the NLDF. For example, the actual amount raised to 31 March 1995 was 26.18% of overall sale.
8 However, the introduction of the sixth good cause was funded by reducing the share of each good cause.
10 The initial rigid scheme for capital purposes only has been gradually compromised, and after the New Labour government grant making has been more focused on people rather than buildings. This will be examined later.
12 Ibid.
13 Ibid., Secretary-General’s report, p. 10.
14 For instance, while sponsorship of events rose from £43.9 million to £49.3 million in 1995-96, business contributions towards capital projects fell from £13.9 million to £5.3 million.
15 In May 1999, the National Audit Office, in a report to the House of Commons, criticised the ACE for having broken its own rules by giving away lottery money to schemes which had not secured matching cash. The ACE funded four entire projects without guarantees that they would receive sponsorship. One of the cases was the Saddler’s Wells Theatre. Its project cost jumped 129%, but the ACE was kind enough to allocate two supplementary lottery grants worth £12 million for the Theatre to pay the cost even though the Theatre was £10 million short of promised sponsorship cash.
16 Wendy Harris, an interview with author, 24 October 2000.
17 He was anxious about London’s “10 mega projects seeking 95% of Millennium and other Lottery funds”, which, “if awarded”, would “exhaust” the other funds.
28 For example, in 1996 after refurbishment, the Oxford Playhouse faced paying double its electricity bill and the Stephen Joseph Theatre in Scarborough had to increase its ushers from three to seven. In 1997 the Norwich Playhouse, built in a city that already had a theatre, had a critical operation problem with only 10% attendance.
30 Wendy Harris, an interview with author, 24 October 2000.
31 The Contact Theatre’s revenue grant of £450,000 from the North-West Arts Board had been frozen for three years.
36 Experiences of other countries are well documented in ‘Funding the Arts and Culture through Dedicated State Lotteries - part I: The Twin Issues of Additionality and Substitution’ [J. Mark Davidson Schuster, Cultural Policy, vol. 1, no 1, 1994, pp. 21-41].
41 Chris Smith’s interview with the National Campaign for the Arts, June 1997, quoted from NCA website: http://www.ecna.org/nca/smith.htm
44 Gerry Robinson, quoted from Financial Times, 22 May 1998, p. 16.
48 Jeremy Newton, quoted from The Observer, 14 August 1994, p. 23.
50 Maggie Saxon, an interview with author, 5 June 2000.
Chapter V: The Playhouse in Leeds

Introduction

This chapter will examine, as a case study, the history of the Playhouse in Leeds from the mid-1960s to the end of the 1990s. The reason why the Playhouse has been chosen is that its existence falls into two distinct periods - the Leeds Playhouse (1970-90) and the West Yorkshire Playhouse (WYP, 1990-). The distinction is ideal for charting the changing theatrical climate from the progressive age of the 1970s through the enterprise age of the 1980s to the post-Thatcherite age of the 1990s. Particularly, the WYP, which has been considered to be one of the most successful regional theatre companies in the 1990s, most clearly illustrates the post-Thatcherite theatrical characteristics. The main subject of this chapter is, therefore, to explore how the Playhouse has adjusted itself to the changing political, economic and cultural climate. This will illustrate in concrete terms the findings of previous chapters. However, as the main concern of this study lies the post-Thatcher period of the 1990s, more attention will be given to the West Yorkshire Playhouse rather than to the Leeds Playhouse.

For this case study, books and newspapers, pamphlets, programmes and annual reports made by the Playhouse, such as the souvenir brochure of the opening of the Leeds Playhouse in September 1970 and the annual reports of the WYP in the 1990s,
will be comprehensively consulted. Interviews with important people such as John Harrison – the Leeds Playhouse’s longest serving artistic director (1972-90) and WYP’s Managing Director Maggie Saxon will be also quoted to support those findings.

The Leeds Playhouse and The West Yorkshire Playhouse

The most individual characteristic of the West Yorkshire Playhouse is that there is no hierarchy in our policy. This means that each work we are pursuing, either for community or education, for the young or the old, for the classic or new work, and for musical entertainment or serious play, is equally important, and equally treated. This has been what made the Playhouse unique.¹

The Playhouse in the city of Leeds has two stories; the story of the Leeds Playhouse and of the West Yorkshire Playhouse. These two stories cannot be considered separately, because the WYP is the successor to and the replacement for the Leeds Playhouse. For those who have worked in the two Playhouses, such as Kathy Webster who has been with the company since the formation of the Leeds Playhouse in 1970 and is currently taking charge of its archive, the two stories are viewed as ‘Stage I’ and ‘Stage II’ of a quest for a permanent theatre building which culminated with the completion of the WYP.
‘Stage I’ is the story of the Leeds Playhouse. In the 1960s, Leeds was the largest city in the Britain without a regional theatre. According to Doreen Newlyn who wrote Theatre Connections, a detailed story of the campaign for the Leeds Playhouse, the campaign began in early 1964 with 13 enthusiastic local people who were involved in various local amateur dramatic societies such as the Student Theatre Group of the University and the University Staff Dramatic Society. Doreen Newlyn herself was a history teacher and a director for that Society.²

The campaign could be seen as a response to the inspiration of the times. The 1960s was a decade of economic stability with feelings of growth and progress in many spheres of British social life. In the progressive 1960s, the arts world was certainly moving into an optimistic period of expansion. The year the campaign began, 1964, saw a Labour victory after thirteen years of Conservative government. Jennie Lee became the first Minister for the Arts, and introduced a progressive arts policy with a substantial increase in arts subsidy. Many local authorities demolished the few remaining theatres and built new arts centres and theatre buildings in the confident belief that more state subsidies would become available from the Arts Council to run them. From 1965 to 1973, there was a rapid growth in new regional theatre building in Nottingham, Sheffield, Liverpool, Manchester, Glasgow, Cardiff and Exeter. The progressive spirit of the time was clearly felt by the campaigners who hoped the future Leeds Playhouse would;

be non-commercial, to be subsidised as art needs to be subsidised: so that experiments can be tried and failures assimilated; ... so that the success at the box office might not have to be the sole criterion for selection; and so that everyone could afford to go, because prices would be kept down.³
In the early days of campaigning, the Leeds Theatre Committee was formed as a widely representative body under the Chairmanship of Sir Roger Stevens, Vice-Chancellor of Leeds University. It included Walter Newlyn, an economist from Leeds University and Doreen Newlyn's husband. The Committee drew up an analysis of the economic prospects of a repertory theatre, collecting and collating facts and figures from the successful playhouses at Nottingham, Coventry and other parts of the country and so formed an estimate of cost and probable income on the basis of experience elsewhere.

The public was generally sceptical about the need for the Playhouse. Many people in Leeds thought at that time that a new theatre which needed to be financially supported was unnecessary while the big Victorian Leeds Grand Theatre, run by a commercial management, functioned well with shows such as annual pantomimes, touring ballets, operas, musicals, and plays from London. Despite this, permission for building construction was obtained for a site near the Town Hall. However, spending cuts caused by unexpected economic and oil crises in the late 1960s led to the postponement of the original plan. In 1969, the Leeds Theatre Trust Limited, incorporated in 1968, decided to search for existing premises which could be converted into a temporary theatre. After many disappointments, the University of Leeds agreed to lend the Trust, rent-free, the site of a proposed sports hall which cutbacks had also forced them to postpone building. The conditions were that the Trust would build the shell and put the theatre in it in such a way that it could be removed at the end of a ten-
year period. The construction began on 25 September 1969. A total of £150,000 had been raised from many sources, such as the Calouste Gulbenkian Foundation, the Leeds City Council, and private donors and the efforts of thousands of schoolchildren selling pencils and bookmarks.4

After six years of persistent campaigning with support from famous actors including Peter O’Toole, Diana Rigg, Judi Dench and James Mason, the Leeds Playhouse as a temporary home opened on Thursday 16th September 1970 with the world premier of Yorkshire dramatist, Alan Plater’s, Simon Says.

The Playhouse was intended by the campaigners and others to act as both a repertory theatre and a community-based ‘civic’ theatre. In Doreen Newlyn’s recollection, the Playhouse was conceived as;

a home for a permanent resident company with a close relationship with the life of the city, and a programme containing the whole range of good drama; in a building that would also be a home for peripheral activities - music, discussions, films, community activities and children’s theatre - a building that belonged to the people of Leeds, where they could feel at home, all the time ...5

However, running a theatre on the basis of a repertory concept has always proved expensive. In its ideal form as envisaged in 1970, a subsidised repertory theatre should aim to offer the public a wide variety of quality drama on a three or four week rotational basis. A permanent company of actors would be cast play by play to offer ensemble playing and freshness in performance. Commercial considerations should not
govern the repertoire, so ticket prices would be kept to an affordable level. To this end, the theatre company needed to be well-funded either by private benefactors or by central and local government.

It is true that the government subsidy for the arts rose substantially in the late 1960s and 1970s from £3,205,000 in 1964/65 to £63,630,000 in 1979/80, but this was not enough to satisfy the financial needs of regional theatres. There were two particular reasons for this. Firstly, the number of theatre companies had increased significantly since the late 1960s - 40 more regional theatres and over 100 more alternative theatres by 1980. According to the Cork Report in 1986 - *Theatre is for All*, during the 1970s, the percentage of the total Arts Council funding allocated to regional theatres fell from 62% in 1970/71 to 41% in 1980/81 in order to feed the ever-rising alternative theatre companies whose percentage rose from a mere 2% in 1970/71 to 13% in 1980/81 and the two national theatres whose percentage rose from 30% to 43% at the same period. In addition, the economic recession during the 1970s caused a soaring inflation rate that severely impacted on the economy of regional theatres. Below is a summary of the general state of the theatre economics of the regional theatres;

Despite the growth in state aid to the theatre therefore, the theatre industry as a whole really did not grow as anticipated but even decline. The key year was 1973, when the abrupt rise in the world price of oil caused severe inflationary problems for all western economics and had a particular impact on the new repertory theatres. ... the new reps were lavish, non-cost-effective, built to demonstrate civic pride. They had fulsome foyers and glass windows ... Within weeks of the price rises, the costs of running these theatres had escalated. Although funds to the Arts Council rose as well - by 1977-88 more than £10 million was being given to the subsidised theatres - these did not compensate for the rising overheads due to inflation. The reps economized in every way they could, among them restricting the amounts spent on productions.
The Leeds Playhouse began to receive arts funding in 1973 from the then Metropolitan County of West Yorkshire. During the 1970s, its arts funding was gradually increased in cash terms from £71,308 in 1973/74 to £147,120 in 1979/80, but the increase was not enough to run the company as a repertory concept. It is true that throughout its history, the Leeds Playhouse had offered a variety of drama including; modern European - *The Caucasian Chalk Circle* (1972/73), *Marat/Sade* (1985/86); modern British - *Oh, What a Lovely War!* (1972/73), *Saved* (1972/73), *The Wedding Feast* (1976/77), *Every Good Boy Deserves Favour* (1978/79), *The Genius* (1985/86), *Pravda* (1986/87); Shakespeare - *The Tempest* (1974/75), *Macbeth* (1976/77), *A Midsummer Night's Dream* (1981/82); musicals - *Guys and Dolls* (1975/76), *The Marvellous Land of Oz* (1985/86). However, this did not mean that the Playhouse worked on the basis of the repertory concept.

The general financial state of regional theatres went from bad to worse during the 1980s which saw a cut in arts funding in real terms under Thatcher's government. In the latter half of the 1980s, regional theatres were increasingly anxious about their financial situation. The Leeds Playhouse's minutes of the annual general meeting of 1987 record that; "The abolition of the County Council, which had been so generous to the Playhouse, and the freezing of the grants from the Arts Council and the West Yorkshire Joint Committee had made a severe cut in finances" in the Leeds Playhouse.

One of the recommendations by the Cork Report, which was actually adopted by the Arts Council Drama Department (ACDD), was "parity negotiations" - the Arts
Council Drama Department's negotiations with local authorities in an attempt to draw more money from them into regional theatres. As Ian Brown and Rob Brannen pointed out in *Theatre Is For All*, there were "gainers and losers" as a result of "the process of parity negotiation". Fortunately, the Playhouse was a "gainer". This can be clearly seen by comparing its subsidy in the first half of the 1980s with that in the second half. While its subsidy increase by the Arts Council was £80,000 from £167,000 in 1980/81 to £247,000 in 1985/86, the increase in the latter half of the 1980s was £232,650 from £247,000 in 1985/86 through £374,000 in 1988/89 to £479,650 in 1989/90. Its combined income from Leeds City Council and the West Yorkshire Joint Committee also significantly increased; £93,250 in 1986, £161,000 in 1987, £176,000 in 1988, £222,000 in 1989 and £375,000 in 1990. However, even this significant increase could not make it possible for the Playhouse to run on the basis of a repertory concept. John Harrison, who served as a playwright and Artistic Director both at the Leeds Playhouse and the WYP for 18 years\(^{11}\) reveals that, from the beginning, it was difficult to run the Leeds Playhouse on the basis of the repertory concept;

> After I took over the Leeds Playhouse, we, about 20, worked on the basis of a repertory concept. We opened with a series of 3 plays by Brecht, Shakespeare and Joan Littlewood. We alternated those three. But after 2 years, that was too expensive. We couldn't afford to do it any more.\(^{12}\)

The Leeds Playhouse also did not have a good record in its intended role as community-based civic theatre. With the exception of the work of its Theatre-in-Education unit formed in 1970, the Playhouse did little within the community. Besides
the handicap of lack of space in the Playhouse's temporary home adjacent to the University Sports Centre, John Harrison explains;

The Leeds Playhouse was not suitable for community work. It was situated within the University. The public felt that it was separate. There was no bus stop near. It was not easy to get to the building. It was a public theatre, but we couldn't do that sort of community work there. We thought that the future theatre should include all that sort of community works.

For the Playhouse, searching for a permanent theatre building which would enable it to undertake community work became one of the prime targets of the 1980s. As John Harrison says; "a whole pressure of all that time (the 1980s) was to find a permanent building". With the search for a permanent building in the 1980s, the story of its 'Stage II' began.

Momentum came in 1984 when the Leeds City Council earmarked a site on Quarry Hill, which is next to the bus station and within walking distance of the commercial centre of Leeds, for a permanent theatre. This prompted the Leeds Theatre Trust to seek financial backing for the new building. It was the generosity of the West Yorkshire Metropolitan Council that secured the future of the new Playhouse by funding an initial architectural competition and investing £4m. John Harrison says;

When Mrs Thatcher disbanded the Metropolitan district councils in the mid-1980s, the Labour-governed West Yorkshire Council was one of them. With its dying gasp, the WYC gave us a large sum of money on the condition that we changed our name from the Leeds Playhouse to the West Yorkshire Playhouse. They always supported us to the best of their ability, giving us more money than the traditional-Conservative-dominated Leeds City
The national competition to design the new Playhouse was won by a husband and wife team, 'The Appleton Partnership' from Edinburgh. The first sod was turned by Sir Donald Sinden in November 1987. The foundation stone was laid by Judi Dench in March 1989 and the building topped by Albert Finney in September 1989. The building cost £13.5m. Funding came from the Leeds City Council (£5.4m), the defunct West Yorkshire Metropolitan Council (£4m), the Arts Council (£1m) and other small grants and donations. The Playhouse also raised £1m in capital sponsorship. The long campaign for a permanent theatre building was accomplished with the official opening of the West Yorkshire Playhouse by Diana Rigg on March 8th 1990. Kathy Webster, whose memory of the Leeds Playhouse was that "Everyday just flashes by", said in a souvenir programme for the farewell production of Twelfth Night at the Leeds Playhouse on 21st December 1989; "We’ve reached our goal, we’ve got the theatre we’ve always wanted".

As has been noted briefly, the process of building the new Playhouse was in line with the latter half of the 1980s when the arts subsidy was continuously constrained by Thatcher’s government, and thus, the market-driven theatre economy became increasingly dominant. In 1986, the year when the funders finally combined to create the WYP, Luke Rittner wrote in his Council’s Report; "More and more arts organisations were staving off financial disaster ... not because they were badly run, but because the essential core funding was no longer enabling them to fulfil the demand". This was two years after the publication of The Glory of the Garden which was
followed by the Council’s two business-like documents; *A Great British Success Story* and *Partnerships; Making Arts Money Work Harder*. This was also the year when the Council launched “a periodic in-depth appraisal of each client’s operation” reviewing their “marketing, education and outreach” in the name of making them consolidate business methods for “financial self-sufficiency”.

Despite its subsidy increase as a gainer from the parity negotiations in the latter half of the 1980s, the Leeds Playhouse still felt short of the necessary financial resources. Indeed, according to John Harrison during his career in theatre, especially in the Playhouse, “there has never been a proper subsidy in Britain except for a very brief period of the 60s with the first Arts Minister Jenny Lee”.

Under these circumstances, the person who would be in charge of the new Playhouse would have to achieve, at least, two things; undertaking community work and running an efficient management in the age of business. It was therefore a surprise to many when Jude Kelly was appointed Artistic Director in 1990. Before the appointment, she had had no experience of running such a big theatre as the WYP with the exception of short period in 1980s. Her theatrical experience was mostly to do with the fringe. After gaining a B.A at Birmingham University in Drama and Theatre Arts, she briefly worked as an actress at the Leicester Phoenix, and then began a career as an artistic director with a small touring company, the Solent People’s Theatre, until 1980. From 1980 to 1985, she became artistic director of the Battersea Arts Centre in south London. In 1986 Jude Kelly joined the RSC as an assistant director both in London and in Stratford. From 1987 she worked at Bristol Old Vic and The Lyric Hammersmith. However, John Harrison offers a clue to her appointment;
Two years before we left the old theatre [1988], I engaged Jude Kelly as an associate at the old theatre. There were a lot of applications and we interviewed many people. We felt that she was right person. The new theatre needed to move in new directions and those were the directions in which she had a lot of experience. Her previous experience had all been in the area which we needed and which we had not had - outreach; community and education works. She was ready to inherit the new theatre. Three of us, Jude Kelly, William Weston (as Executive Director for administration) and I, worked together for the first season of the WYP. Then, I decided to leave and the two worked together for another year. After this, Jude Kelly took over the whole business of the Playhouse, administrative and theatrical.

Only a few years after the appointment, what she had achieved with the largest regional theatre company except Stratford, was viewed by many as a considerable success. Lyn Gardner wrote in 1997;

Kelly is one of the most powerful people in the British arts. Her relaxed, articulate appearances on television and radio have given her a national profile and made many realise that theatre directors' views are no less valid than company directors. ... she has turned the West Yorkshire Playhouse into a genuine community resource without compromising artistic standards.

One of the Playhouse's major claims to success is in its community work which was one of the two main demands made upon Jude Kelly. Unlike the old Playhouse's remote situation within the University, the new Playhouse is geographically well-situated at the edge of the city centre. This allows the public easy access, and thus, makes it possible to put community work at the head of its agenda. In addition to exploiting this geographical advantage, Maureen Rooksby, who has been in charge of community and education works since the early 1990s, says;
Since the Playhouse opened in 1990, we’ve been very keen to push the barriers of our arts and our relationship with local people. So we’ve been looking for different ways of engaging with them, in workshops, going to visit people and working in various areas.

Indeed, the Playhouse has attempted to penetrate a broad cross-section of the community of Leeds and West Yorkshire. It set up an Arts Development Unit with the motto, “arts for everyone”, which plans, organises programmes for community and education. Its most significant programmes have been its community productions such as Magnetic North and Pilgermann, Heydays for the elderly, SPARK and Theatre-in-Education for the youth, its dedication to Black Arts, and Community Network for the inner regeneration.

*Magnetic North (MN)* directed by Maureen Rooksby in June 1993 was part of Leeds Centenary Celebrations. It was a collective theatrical celebration with the 280 schoolchildren and 120 adult amateurs aged between 8 and 70, working for five weeks with a team of professionals from all over the world. The professional team consisted of a large number of full-time staff including 6 directors, 2 choreographers, 2 musical directors, one designer and one assistant, 14 group leaders, 8 student placements, and more than one hundred staff from every department within the Playhouse. Nine schools were involved in *MN* as part of their timetable. Many young people and adults also took part in the evenings and at weekends. *MN* is based on a story by Mike Kenny about a city where people work harmoniously together making beautiful cloth until someone steals more than their share and disintegration threatens. In performance,
while the participants were singing and dancing and acting, their relatives and parents, laughing, shouting and applauding, made up of audiences. Thus, besides an emphasis on human solidarity within the framework of the play itself, the production formed a parallel to reality in the way it created a sense of community for all the people involved. One participant, Joanne Telfer, said; “MN’s good because we’re all getting to know each other and getting over our embarrassment”. One of the young participant’s parents said; “I hope there will be more plays where Shelley [a Yorkshire School] is invited to perform. I have enjoyed every minute”. Most of the local people, either participant or audiences, were proud of the WYP’s community role in this production, as one anonymous person said; “I think Magnetic North was a wonderful idea to introduce people to the theatre. I think other theatres should take the West Yorkshire Playhouse’s lead and do other similar things”.

*Pilgermann* (1995) was claimed to have been another well-received community participatory performance, this time, however, with only one professional actor among the cast of 80. 50 trainees also volunteered their time and skills to many of departments including stage management, wardrobe, lighting, design and marketing, working alongside the Playhouse staff. It was a world premiere of an adaptation of Russell Hoban’s novel about an 11th-century German Jew who joined a Crusade. Jude Kelly, comparing community plays like *Pilgermann* to Greek plays of civil pride, wrote; “*Pilgermann* recaptures some of those ancient democratic principles - a production created by and for the people of Leeds”.

*Heydays*, a weekly arts programme which takes place on every Wednesday for people aged 55 and over, was founded at the same time as the Playhouse’s opening in
1990. *Heydays* is intended to contribute to lifelong individual development. In 1999/2000, its membership has reached 1,000, with 300-400 participating every Wednesday over three terms. In 1999 the fee for one term was £8. Over 20 different workshops and classes are run in each term. The regular ones are singing - the most popular, drama, line dancing, early birds, play reading, creative writing, and discussion. The changeable ones from term to term are rug making, pencil drawing, water colour, calligraphy, lino printing, skill share, lace making, and oil painting. In some classes members link their projects to other areas of the Playhouse’s work, for example, by creating the ‘storysacks’ for the schools tour of *Whose Shoes?* or creating items for the Storymakers project. According to a member of staff receiving applications for the first term of 2000/01 in July 2000, the popularity of the *Heydays* has been so immense that many workshops, such as singing and drama, have been always difficult to enter. Thus, people usually apply for several workshops in case of intense competition. On the last day of each term *Heydays* holds its end of term event, giving everyone the opportunity to see what everyone else has been doing throughout the term. On this day, performing arts groups offer short performances. On 24 March 1999, as part of the end of term festivities, *Heydays* held the first International Year of Older Persons in the Quarry Theatre.

In the area of education, the Playhouse also introduced an organised after-school programme for children. *Body & Soul*, for example, a two-week workshop for under 12’s, encourages those involved in *Magnetic North* to extend themselves with new skills such as physical theatre, dance, fantasy face painting and body decoration. The Weekend Wyppets (the WYP pets) are its after-school club in theatre, reading, mime and other aspects of the arts. The company launched *SPARK* (Sport and Arts
towards Knowledge) in 1997. This was designed to support children’s learning by encouraging self-confidence, creativity, and achievement. Children work with artists and sports coaches to develop new skills. The main focus is on making children discover that learning can happen in different ways and often requires huge dedication and a commitment to succeed. SPARK was confirmed by Educational Secretary David Blunkett, as “a national model of excellence” at the first national SPARK conference in May 1999.27

While many Theatre-in-Education companies had closed down nationally owing to lack of financial support from the government and local authorities’ rate-capping, the Playhouse has maintained a permanent touring Theatre-in-Education company, which provides a free full time service to schools in Leeds and West Yorkshire. Indeed, its Courtyard Theatre with 350 seats raised its first curtain with International Young People’s Theatre Festival in 1990 to celebrate 20 years of its Theatre-in-Education. Nine companies produced works from all over the world and over 26,000 young people participated in the event. Its Theatre-in-Education company normally creates three new productions a year for and with primary and secondary schools across the West Yorkshire.

In the context of a large non-white population living in Leeds and West Yorkshire, the promotion of Black Arts has become one of the company’s priorities. For instance, its Black Arts Week from 5 to 8 April in 1994 co-ordinated programmes including performances and readings of plays and writings of Black writers such as Trish Cooke’s Back Street Mammy, and discussions about the future of regional black arts at the Playhouse accompanied by Afro-Caribbean foyer entertainment and
Caribbean cuisine at the Wild Oats restaurant.\textsuperscript{28} Since 1996, the Playhouse has celebrated Black History Month each year with a range of workshops, an exhibition in the foyer, and several one night events such as a Black literature event and an interactive arts conference featuring work from young Black and South Asian artists. Its Sunday night Black Comedy Events have also become a regular feature of its seasonal programmes.\textsuperscript{29}

The Playhouse's strategy for connecting itself with the broad community was the establishment of the \textit{Community Network} scheme, designed to support the inner city community. Local groups organise events to which Playhouse staff contributes. Its annual booklet, \textit{Connect}, illustrates this;

<table>
<thead>
<tr>
<th>Target audience:</th>
<th>inner city community groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency/date:</td>
<td>3 social events per year; 1 annual meeting; events in the community throughout the year; unlimited tickets available for at least 52 performances of 13 productions per year</td>
</tr>
<tr>
<td>Funding:</td>
<td>Arts Development Unit budget, charitable trusts and Corporate sponsors</td>
</tr>
<tr>
<td>Total members:</td>
<td>179 groups</td>
</tr>
<tr>
<td>Number of visits to Playhouse productions:</td>
<td>87 participating groups made a total of 336 visits</td>
</tr>
<tr>
<td>Total number of seats taken:</td>
<td>3,816</td>
</tr>
</tbody>
</table>

Just as the WYP has a good record in its role in the community, so it has a comparatively good record of theatre management. To understand the implication of this good record, it is necessary to examine the general state of regional theatres in the early 1990s. Lyn Gardner wrote in 1993;
All over Britain regional theatres are struggling for survival in the face of dramatically reduced budgets. ... this breeding ground of new talent is facing an uncertain future, with many regional theatres on the brink of disaster. ... Now many are being hit by a double whammy: a cut in funding from central government via the Arts Council and regional arts boards, and further cuts by rate-capped local authorities. 30

1993 was the year when Major’s government decided to cut £3.6m of arts subsidy for 1994/95. This year saw many struggling regional theatres having to take drastic measures to survive. In 1993 the Sheffield Crucible was forced to close the studio programme entirely and to reduce main house productions from eight to six. At Derby Playhouse in that year six annual studio productions were reduced to just two in that year. As for Peter Cheeseman’s New Victoria Theatre in Newcastle Under Lyme, local government subsidy was down by £80,000 and ticket sales were also down by £100,000 over the year. In November, Cheeseman was forced to cut one fifth of the theatre’s staff, to cut its education programme and visiting companies and to limit the number of actors in shows. 31 In the latter half of the 1990s, as has been examined earlier, there was little sign of recovery. In 1995 the 104-year-old Everyman Theatre in Cheltenham decided to abandon mounting its own productions for two years in an attempt to clear its £400,000 deficit. Ten staff, including the artistic director, Martin Houghton, were made redundant. Chief executive, Philip Bernays, turned the producing house into a receiving house for touring products. Marketing manager Tim Martienssen said; “For a long while we’ve been underfunded - the subsidy doesn’t cover the work we’re being asked to do”. 32 As the stand-still arts subsidy continued to the end of the 1990s, the critically unhealthy state of regional theatres was deepened, as illustrated by the findings of The National Campaign for the Arts in 1998 which
revealed; a cut in in-house productions and in cast sizes, a fall in the employment of actors, a rise in musicals, and steep rises in ticket prices.

By contrast, however, the West Yorkshire Playhouse under Jude Kelly seems to have had a relatively impressive theatrical record. In the Arts Council’s Appraisal Document submitted by the Playhouse, it states;

In the first six years of operations up to March 1996, the Playhouse numbered 93 of its own productions encompassing classic and contemporary British and European drama, modern theatre from around the world and a vigorous new writing policy - 27 of these productions have been world or British premiers. Home grown work has been supplemented by the visit of 60 touring companies producing in total 3,493 performances to 1,159,000 people. 

Its record can be judged more specifically from its key theatrical statistics. Below are the statistics from 1993 to 1999;

<table>
<thead>
<tr>
<th>Year</th>
<th>No of productions</th>
<th>No of Touring Companies</th>
<th>No of Performances</th>
<th>Attendance</th>
<th>Average Ticket Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993/94</td>
<td>16</td>
<td>5</td>
<td>607</td>
<td>181,315</td>
<td>£6.34</td>
</tr>
<tr>
<td>1994/95</td>
<td>15</td>
<td>10</td>
<td>615</td>
<td>223,000</td>
<td>£6.87</td>
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<tr>
<td>1995/96</td>
<td>14</td>
<td>15</td>
<td>555</td>
<td>179,285</td>
<td>£7.11</td>
</tr>
<tr>
<td>1996/97</td>
<td>15</td>
<td>14</td>
<td>552</td>
<td>184,500</td>
<td>£7.05</td>
</tr>
<tr>
<td>1997/98</td>
<td>16</td>
<td>13</td>
<td>614</td>
<td>163,932</td>
<td>£7.84</td>
</tr>
<tr>
<td>1998/99</td>
<td>17</td>
<td>15</td>
<td>657</td>
<td>179,175</td>
<td>£9.31</td>
</tr>
</tbody>
</table>

Arts Council Appraisal Document, 1999

The statistics above show reasonably a stable theatrical record from 1993 to 1999; the number of in-house productions ranging between 14 (1995/96) and 17 (1998/99), the number of performances between 552 (1996/97) and 657 (1998/99),
attendance between 163,932 (1997/98) and 223,000 (1994/95), and average ticket yield between £6.34 (1993/94) and £9.31 (1998/99).36

The WYP provided further evidence of its sound management by indicating that its key performance indicators have compared well with those of six comparative regional theatres; Birmingham, Nottingham, Sheffield, Leicester, Manchester and Plymouth. Although it is true that no two theatres are identical in either practice or policy, these six were selected because of their perceived similarities in both size, amount of public subsidy and importance to the regional theatre network. They were by coincidence the comparator theatres used in the 1992 appraisal document of the Arts Council. Below are five comparative figures for a two-year period between 1994/95 and 1995/96 when the financial difficulty was seriously deepened by cuts in arts subsidy.

<table>
<thead>
<tr>
<th>Subsidy per Attendance</th>
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<tbody>
<tr>
<td></td>
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<tr>
<td><strong>1994/95</strong></td>
</tr>
<tr>
<td><strong>1995/96</strong></td>
</tr>
<tr>
<td>WYP</td>
</tr>
<tr>
<td>Birmingham</td>
</tr>
<tr>
<td>Nottingham</td>
</tr>
<tr>
<td>Sheffield</td>
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<tr>
<td>Leicester</td>
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<tr>
<td>Exchange</td>
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<tr>
<td>Plymouth</td>
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</tbody>
</table>

The figures above reveal the relatively low level of subsidy that the Playhouse has spent per seat sold, which is only exceeded by Plymouth Theatre Royal. The Playhouse has had several measures to maintain affordable ticket prices such as a ‘pay-
what-you-can’ programme which charges minimum of 50p per seat. It has also often attracted money for its productions from business sponsors. Halifax Plc gave £7,500 for the second run of its successful production of Peter Pan (1996). This money was used to provide free tickets for homeless families and those who could not normally afford a theatre visit.

<table>
<thead>
<tr>
<th>Number of Attendance</th>
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<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>1994/95</td>
</tr>
<tr>
<td>WYP</td>
</tr>
<tr>
<td>Birmingham</td>
</tr>
<tr>
<td>Nottingham</td>
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<tr>
<td>Sheffield</td>
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<td>Leicester</td>
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<tr>
<td>Exchange</td>
</tr>
<tr>
<td>Plymouth</td>
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</tbody>
</table>

The figures above indicate the significant variation between the two years from 223,000 to 179,000. It shows the Playhouse exceeding or matching the highest figures in the majority of other regional theatres, even in a relatively difficult year, with the exception of Plymouth.

<table>
<thead>
<tr>
<th>Subsidy per Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>1994/95</td>
</tr>
<tr>
<td>WYP</td>
</tr>
<tr>
<td>Birmingham</td>
</tr>
<tr>
<td>Nottingham</td>
</tr>
<tr>
<td>Sheffield</td>
</tr>
<tr>
<td>Leicester</td>
</tr>
<tr>
<td>Exchange</td>
</tr>
<tr>
<td>Plymouth</td>
</tr>
</tbody>
</table>

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Here, the Playhouse was performing relatively well in this criteria providing reasonable return on subsidy investment.

<table>
<thead>
<tr>
<th>Number of Performances</th>
<th>1994/95</th>
<th>1995/96</th>
</tr>
</thead>
<tbody>
<tr>
<td>WYP</td>
<td>615</td>
<td>555</td>
</tr>
<tr>
<td>Birmingham</td>
<td>375</td>
<td>450</td>
</tr>
<tr>
<td>Nottingham</td>
<td>285</td>
<td>270</td>
</tr>
<tr>
<td>Sheffield</td>
<td>305</td>
<td>310</td>
</tr>
<tr>
<td>Leicester</td>
<td>530</td>
<td>555</td>
</tr>
<tr>
<td>Exchange</td>
<td>410</td>
<td>425</td>
</tr>
<tr>
<td>Plymouth</td>
<td>685</td>
<td>630</td>
</tr>
</tbody>
</table>

From the early 1990s, the number of its performances was relatively high. From 1991 to 1992, there was a 4.5% growth in this area while a national trend of regional theatres revealed a 7% decrease on average under the recession. The figures above show that the Playhouse consistently provided an average of 11 performances per week reflecting the heavy use of both auditoria.

<table>
<thead>
<tr>
<th>Earned &amp; Contributed Income as % of Total Income</th>
<th>1994/95</th>
<th>1995/96</th>
</tr>
</thead>
<tbody>
<tr>
<td>WYP</td>
<td>61%</td>
<td>55%</td>
</tr>
<tr>
<td>Birmingham</td>
<td>45.5%</td>
<td>41%</td>
</tr>
<tr>
<td>Nottingham</td>
<td>47.5%</td>
<td>52%</td>
</tr>
<tr>
<td>Sheffield</td>
<td>45%</td>
<td>43%</td>
</tr>
<tr>
<td>Leicester</td>
<td>50%</td>
<td>53%</td>
</tr>
<tr>
<td>Exchange</td>
<td>55.5%</td>
<td>59%</td>
</tr>
</tbody>
</table>
Here, the figures show that the Playhouse performed relatively well in this area with box office trading income and sponsorship achieving well over 50% of total income.

These seemingly impressive performance indicators in all these areas tell us two things. On the one hand, the Playhouse maintained a comparatively stable theatrical state seemingly unaffected by theatrical recession. On the other hand, they tell us that the Playhouse has positively followed the post-Thatcher model of the theatre economics in the 1990s; self-reliance, cost-effectiveness, value for money and the active search for business sponsorship. To better understand this, it is necessary to analyse its income and expenditure.

Like other regional theatres, its income is derived largely from two sources; arts funding and self-funding. Less than 50% of its income has come from Yorkshire and Humberside Regional Arts Board (YHA) as central government funding, Leeds City Council (LCC) and West Yorkshire Grants (WYG) as resources from regional councils. For instance, in 1995/96 it received around £1.58m - £790,000 from YHA, £690,000 from LCC, and £100,000 from WYG.

Its expenditure also largely covers two areas; expenditure for salaries, overheads and activities such as community and education, and expenditure for productions. In 1995/96, the total expenditure reached roughly £3.50m. Thus, by calculation, in order to make ends meet in that year, the Playhouse needed at least £1.92m extra income from self-funding (55%), the amount remaining after deducting the total income of arts funding (£1.58) from the total expenditure (£3.50m). Thus, it is

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evident that the Playhouse should do something to produce the necessary self-funding. What it has done in the 1990s strongly reflects the post-Thatcher theatre economics.

The playhouse has raised significant self-funding from commercial sponsors. The amount of money from the sponsors has varied from year to year and has been mainly dependent on general economic factors and theatre programming. Since 1993, it has fluctuated between £132,000 (1994/95, 1996/97) and £196,000 (1995/96). In its opening year, there already emerged plenty of commercial sponsors such as Provident Financial Group and Teeman Levine Solicitors. Among its large list of sponsors, the Playhouse has recently consolidated its relationship particularly with two big companies; the Halifax Building Society, which has been supporting its Schools Company and many children’s productions, and Marks & Spencer which sponsored *Magnetic North*, *Pilgermann*, and *Heydays*.

Perhaps not unexceptedly, business sponsors have been particularly attracted by the high profile of its community work. This is largely because the events and productions staged for the community often induce huge interest from the local public at which the sponsors’ marketing primarily aims. Moreen Rooksby talks about this;

We’ve got a commercial sponsor called Providence Financial. It is like an insurance company, women selling insurance schemes in the local area. The company was interested in us, because they heard about the high profile in our community activities. They approached us, and we approached them. After a number of meetings, talking about various projects, they settled on and decided to fund a project of *SPARK*.
What Roy Shaw viewed in the 1970s - the nature of business sponsors as more or less “brutal self-interest” - was no longer valid in the theatre economics of the 1990s. The arts and business sponsors have become more and more mutually interested in each other since the 1980s when arts subsidy began to be restrained. In Jude Kelly’s words; “When business throws the arts a lifeline, the arts throw one back”.41 The sponsors have watched public funding diminish and realised that their financial support was providing a means of survival to arts companies. They have also knew that such regional ‘centres of excellence’ as the WYP had huge spin-offs for the economy and had to be maintained, like any other investment. By investing, they could obtain a good image and PR.42 Concerning this, John McGrath argued that “the concept of national and regional ‘centres of excellence’ is conveniently fundable ... preferably by sponsors wishing their product to be associated with such ‘excellence’”.43 Marks & Spencer’s Regional General Manager said; “The element of community training in Pilgermann is particularly exciting and my managers have benefited from being involved with this production”.44

In a sense, the WYP’s rigorous involvement in the community works has often been seen as a way of keeping the theatre running under the post-Thatcherite theatre economics of the 1990s. Not only has its high profile of community work, by making the Arts easily accessible, helped attract arts subsidy and lottery money, but, by creating an identifiable market constituency, it has also provoked financial generosity from sponsors.
The Playhouse has also run its business in catering which has become an indispensable income source of self-funding. The Playhouse is known as the second largest regional theatre with around 120 permanent staff in 1999. Besides its two theatres, The Quarry (750 seats, open thrust stage) and The Courtyard (350, a resident company of actors led by Jude Kelly), it has the CAMRA award winning bar and the 'Wild Oats' restaurant which includes a frequently used cabaret space for live music and performance. The building also has the Newlyn Gallery, a coffee shop, a theatre shop, two function rooms, and two rehearsal rooms. The emphasis in the design of the building has been accessibility and avoidance of intimidation. It is not difficult to see the live music and concerts in its foyer and bar, even when visitors do not come to see a show. On every Wednesday lunch time during the session of Heydays, its theatre bar is packed with the local elderly people, queuing for food, eating, drinking and talking about their work. The theatre's yearly income from the bar, catering, ice-creams, programmes and books has during the 1990s ranged from £500,000 to £600,000. The fact that, as this study has discussed earlier, running a theatre company in the 1990s is not dissimilar to running a business company is clearly seen by the Playhouse's advertisement of the 'corporate entertaining events';

The Playhouse has much experience of organising corporate events. With one phone call we can ensure that you achieve your aims and that your guests have an evening to remember.

The cost of corporate entertaining is from £34 per head (including tickets, programmes, drinks & food) and the Playhouse service includes:

- behind the scenes tour of the theatre complex at 6pm
- best seats in the House
- use of one of the corporate suites
- opportunity to display corporate information
- services of a Playhouse Co-ordinator
- welcome desk in the theatre foyer
services of the in-house Catering & Commercial Manager to plan your food & drink requirements
credit facility - i.e. one invoice issued after the evening includes all costs

Other services the Playhouse offers can add an extra dimension to an evening’s entertaining:

- flowers, including corsages
- chocolates
- gifts (e.g. signed copies of the play / production posters)
- music and / or light entertainment for your guests
- themed food & drink (e.g. logo incorporated into design of food;
  NB The Playhouse has a costume hire department)

For those who wish to have a longer-term relationship with the Playhouse or who operate a continual programme of corporate entertaining, the Playhouse has a corporate club, the Business Circle. Membership offers flexibility, profile benefits and complimentary tickets and programmes; fees start at £1,800 pa for 90 tickets. 45

The Playhouse also had to make productions cost-effective. For instance, as Maggie Saxon asserted - “You can’t go through the year with 20 full-time actors”, the Playhouse has tried to reduce actors’ cost. 46 Its production, The Hunchback of Notre Dame (1994) which normally needs a large number of the crowd players, was staged with a cast of only six. Another option taken up by the WYP was co-production. Many productions were presented through co-operation with other regional companies, for example, Comedians (1993) by Trevor Griffiths with Lyric Hammersmith, Sam Shepard’s True West (1994) with Donmar Warehouse, Popcorn (1996) by Ben Elton with Nottingham Playhouse, and Landslide (1997) with Birmingham Rep. As Jude Kelly has said, co-production became a growing theatrical phenomenon especially between big regional companies in the 1990s, as “a way of extending subsidy” through stretching resources and thereby allowing them “to have longer rehearsal periods, higher-quality casts”. 47

However, there emerges a subtle but significant difference which reflects the theatre economy of the 1990s. The Leeds Playhouse presented 202 in-house productions from 1970 to 1990. The West Yorkshire Playhouse has presented about 160 during the ten years of its existence. There is little difference in the percentage of classics produced between the two Playhouses. There is, however, a significant difference between them in the percentage of adaptations and musicals produced.
While the Leeds Playhouse produced 2 adaptations (1%) and 4 musicals (2%), the WYP has produced 16 adaptations (10%) and 20 musicals (13%). The increase in adaptations and musicals is one clear demonstration of the theatre economy in the 1990s in which even a relatively better-funded theatre company had to resort to safe productions, which also reflects a national theatrical trend in the 1990s employed in order to increase its required self-funding. As Maggie Saxon said, by the end of the 1990s musicals in the Playhouse entered a new phase, offering huge box office income. Its *Spend, Spend, Spend!* (1998), about the life of Viv Nicholson who won the first mega-jackpot on the Pools in 1962, itself transferred to the West End and received critical acclaim as “a piece which gave a new hope to the British musical theatre”.\(^{49}\) *Spend, Spend, Spend!* won the 1998 Barclays Theatre Award for Best Musical. The Playhouse’s new version of *Martin Guerre* (1998), the 1996 Olivier Award for Best Musical and presented through a co-production with Cameron Mackintosh, achieved staggering results at the box office both in Britain and America.

Also, it is necessary to scrutinise the Playhouse’s claimed support of new writing. Throughout the 1990s, the WYP has been noted for its record of new works. When theatre critics such as Michael Billington lamented the dearth of new writing in the early 1990s, the WYP audaciously launched, in January 1991, a 12-week season of six contemporary plays, including two world premiers - *In All Innocence* by Kay Mellor and *Getting Attention* by Martin Crimp, both of which deal with child sex abuse. Its Courtyard season from May to July in 1997 devoted six weeks to a festival of new writing called ‘Seven x Seven’, meaning seven new plays by seven writers
including Precious by Anna Reynolds and Good Copy by Richard Hope, the then writer in residence.

The WYP produced 16 to 17 of its own productions annually during the 1990s. About a third of them were British or world premieres including Trevor Griffiths’s second stage play in 17 years, The Gulf Between Us (1992), dealing with Britain’s involvement in the Gulf War in a neo-colonialist perspective, John McGrath’s The Wicked Old Man (1992) dealing with the wicked world of 90s resulted from the ditching of altruism in the 80s, Richard Cameron’s With Every Beat (1995) about 5 people who try to raise charity, Terrence McNally’s emotional comedy A Perfect Ganesh (1996) based on Hindu god Ganesh, Irvine Welsh’s You’ll Have Had Your Hole (1998) about torture.

However, these new plays were mostly written by established or well-known writers. Richard Cameron was a regular provider of such plays as Pond Life to the Bush Theatre during the 1990s and was three times winner of The Sunday Times Drama Award. Terrence McNally had won Oscar award with his Love! Valour! Compassion!.

There were, in fact, few new plays by unknown writers, which are generally considered as being risky to stage, such as the comedy Postcards From Rome (1994) by Adam Pernak, co-winner of the George Devine Award for new writers with the acclaimed Killers and the then 23-year-old writer-in-residence at the WYP, Richard Hope’s Odysseus Thump (1997) about age concern and Good Copy (1997) written for Seven x Seven. In her response to the demand in 1994 from 86 playwrights that
regional theatre directors should commit to a quota of three new plays a year, Jude Kelly explained why it was difficult to put new works on stage;

Even the Playhouse, with its record of 22 premiers in four years, has hobbled by on a part-time literary co-ordinator who processes over 1,000 scripts a year. Should we send them all back unread and simply commission the 86 signatories of the letter, or should we all suggest that literary departments get funded? How can we fund annual writer-in-residence posts in all producing theatres? ... Artistic directors, especially of regional theatres, are earnestly trying to invest in the future of theatre. ... They have no money. They want new funding levels. Will the National Lottery help? Not unless typed pages represent capital investment.

Like most of regional theatres, the Playhouse had no literary department which entails a substantial financial outlay. Jude Kelly hoped to obtain lottery money to build a new writing laboratory alongside the Playhouse where amateurs could learn writing techniques. However, the theatre economy in the 1990s shattered this hope. Even when the Playhouse received lottery stabilisation funding as Jude Kelly wished, the theatre could not afford to put aside some of the money for the artistic purpose of seeking new writing talent. According to Maggie Saxon, the small amount money remaining after paying off the capital debt was used, perhaps predictably in the 1990s, to improve its own business - marketing and changing the box office system.

The Playhouse has been looking for any source which will increase its finances. The National Lottery is certainly one of these. Since the inception of the Lottery, as Maggie Saxon said, the Playhouse has anxiously waited for a change in the use of lottery money from capital purposes only, to its use for revenue grants. The main reason for this was, as mentioned above, the Playhouse’s accumulated debt in 1997 of
£2.05m, arising from the extra costs in building the new Playhouse. The debt had become a major drain on the theatre’s revenue funding (about £200,000 in 1996) simply to service the interest payment. The debt was, Maggie Saxon said, “severely impacting on what the company could do”. For instance, one main actress in The Merchant of Venice (1994) needed to have her dark brown hair dyed blonde at a cost of nearly £300, the Playhouse, with no budget left, was forced to fall back on a make-over in ITV’s This Morning programme. She underlined the critical threat posed by the debt; “If we hadn’t had a successful application for the lottery, we would probably have been facing some sort of liquidation. The Lottery money (£2.64m) undoubtedly saved the theatre’s future, because we were unable to pay off the debt”.

The problem is, however, that even after the lottery funding, the theatre’s financial difficulty has continued. Maggie Saxon said;

Although the Leeds City Council has been generous to add £100,000 a year to our total revenue grant, the grant increase in the 1990s did not catch up with the inflation rate. We do not have capital debts now, but we do not have adequate revenue funding. This building was 10 years old. We need to refurbish the building. Bars, catering and conference rooms have generated a significant amount of turnover towards our theatre activities. We should upgrade them with modern standards to be attractive to a wider audience. But we lack money to do so. We haven’t replaced the carpet for 10 years.

Jude Kelly claimed that the theatre’s financial difficulty was mainly due to the unequal distribution of arts subsidy by the Arts Council; “They fund the big enterprises in London and everything else is scaled down ... You get the feeling you are funded per
square metre rather than per fantastic idea ... there's the hope that the energy will circulate, but it's not possible without backing".55

On the one hand, her claim was understandable. As has been noted in the previous chapter, the two national companies took nearly half of ACE and RABs drama funding in the early 1990s, and in 1994/95, these two were given 73% of ACE drama spending. It is not surprising that in the post-Thatcher enterprise age, a bigger and bigger proportion of drama funding has been given to the two national companies, because, as illustrated by Myerscough, they have made themselves international tourist attractions which could yield impressive theatre-related benefits with the transfer of plays or musicals and Shakespeare productions in Stratford and London.

It is true that the cultural industry in Leeds has “compared favourably with the respective cultural sectors of other major UK cities”. A survey of the city's cultural industry done in 1996 reported that “In Leeds the performing and visual arts are particularly well represented with the likes of the West Yorkshire Playhouse, Opera North, Phoenix Dance, Henry Moore Institute and the relocated Royal Armouries Museum”. The industry of tourism in Leeds has also gradually expanded, contributing an estimated £502m per year for the City's economy in 1999/2000. However, the cultural and tourist industry has been mostly related to finance, commerce and retail services.56 Generally speaking, it is difficult to imagine that foreign tourists or people living in Scotland might come to Leeds simply to see a show in the Playhouse. Without doubt, most of its audiences have been drawn from Leeds and the Yorkshire region. This is one of the reasons why the Playhouse has endeavoured to do community work.
On the other hand, Jude Kelly's claim that the Playhouse has suffered from the unequal distribution of funding appears unconvincing. The Playhouse has, in fact, been one of the few theatre companies to receive favourable arts subsidy. As Ian Brown and Rob Brannen point out, the Playhouse was in the gainer's position in the 1990s, its subsidy being steadily increased by central and local authorities from £1.5m in 1993/94 to £1.9m in 1998/99, while most regional theatres received standstill arts funding from 1993/94 to the end of the 1990s. In addition, £2.64m of lottery money was given to the Playhouse. Under the circumstances, it is possible for financially suffering theatre companies such as the Everyman Theatre in Liverpool to argue that the Playhouse has been adequately funded while other regional theatres are still suffering.

Nevertheless, it is true that Jude Kelly has exhibited an ability to promote the profile of both herself and the theatre. In every year since its opening, the Playhouse has received the annual Theatrical Management Association (TMA) award. It won the Bacardi Award for the Most Welcoming Theatre and its Peter Pan was voted Best Show for Children and Young People in 1996. Jude Kelly has promoted the theatre's national profile to such an extent that Sir Ian McKellan, one of Britain's best known classical actors and a key figure at the Royal National Theatre in the 1980s and 1990s, chose the WYP as his temporary working base when he became disillusioned with white middle class audiences found at the RNT. Jude Kelly's public profile has been enhanced by her becoming a popular choice for programmes such as BBC Radio 4's Any Questions and BBC-TV's Question Time. She was awarded the OBE for services to the theatre in 1997. She was also appointed Britain's cultural representative to UNESCO. According to polls conducted by The Stage in 1996 and 1997, Jude Kelly was named as the fourth most important person working in British Theatre. She was
discussed in the press as a strong candidate for the artistic directorship of the Royal National Theatre in the mid-1990s.

It is always difficult to judge the artistic standard of a particular theatre company. The Playhouse, however, has often been praised by the press for its high artistic quality. Even in the period of recession, it has been frequently discussed in the press as one of the few vital regional theatres. For instance, Michael Coveney valued Jude Kelly’s efforts to reverse the trend of a nation-wide pattern of retrenchment and playing safe during the recession of the early 1990s. In order to maintain artistic standards, Jude Kelly has done many things. She has tried to make the Playhouse keep abreast of the times. For instance, she realised the importance of the digital generation emerging as a new cultural consumerist group. In consequence, she directed the multimedia internet play, Deadmeat (1999), by a maverick London street author named Q, which integrated the spoken word with improvised jazz, dance, website visuals and DJ cuts shot in various locations in the Playhouse. She brought in the experienced director Ian Brown, the Artistic and Executive Director of the Traverse Theatre since 1989, to direct John Steinbeck’s Of Mice and Men in 1997 and Irvine Welsh’s You’ll Have Had Your Hole in 1998. She also engaged promising young directors such as Matthew Warchus.

Here, it is useful to examine briefly Matthew Warchus’s career in the 1990s, because he has exhibited the attitude of a new generation of directors in the 1990s which was examined in the previous chapter. Before working in the Playhouse, Warchus had been an assistant director for many companies, for instance, the RSC for
its 1991/92 season. He began working at the WYP in 1992. He was nominated, as a result of his production, *Life is A Dream*, as Best Director in the TMA/Martini awards in 1992. At the Playhouse, he directed several productions, chiefly, a classic, a musical, and plays from the established writers, and thus, safe, such as *Life is A Dream* by Calderon, *Fiddler on the Roof* (1992) by Joseph Stein, *Death of Salemam* (1994) by Arthur Miller, *Betrayal* (1995) by Harold Pinter. He left the Playhouse after redirecting the musical *Peter Pan* in 1996. *The Guardian* on 5th January 1996 praised him as “one of our most consistently inventive and assured young directors”. After leaving the Playhouse, he worked at the RSC. His 1997 *Hamlet* was praised by Michael Billington on 10th May 1997 as “one of the most exciting main-house Stratford productions in years”. According to archivist Kathy Webster, currently in 2000 he was working in Hollywood as a film director. Certainly, he has characterised features of young directors in the 1990s – the search for money and fame.

Jude Kelly’s career in the Playhouse has also typified the general attitude of artistic directors in the post-Thatcherite period. Her successful career in the Playhouse seems to have been not so much to do with her artistic abilities as with her managerial skills. It is true that she has shown a genuine skill in running the Playhouse. It might be claimed, however, that Jude Kelly’s managerial role has hindered her artistic development. She has directed on average 3 productions a year. Besides this, as Chief Executive, she has had to raise money, devise programmes and speak to the community. She agreed that operating both as chief executive and artistic director was difficult; “The balance is tough. I can’t always devote as much thought to directing as others can”. Perhaps for this reason her productions have been less than successful. For instance, her *King Lear* in 1995 was viewed as failure. John Harrison commented;
She has done some excellent works. She has done some ghastly works. Her *Seagull* and *The Merchant of Venice* were very good. *King Lear*, as a whole, failed to move me”. Harrison attributed her artistic inconsistency to huge managerial task she has had to undertake. In her own explanation, there was a strong sense that Jude Kelly regarded herself as Chief Executive rather than Artistic Director;

Does the chief executive of the National Theatre have to direct? Jeremy Isaacs, the former television executive who runs the Royal Opera House, Covent Garden, is not expected to produce opera or dance. But in the small, gossipy world of the theatre you must be known to perform at the rock face, and to perform consistently.

Jude Kelly’s role in the 1990s somewhat demonstrates what D. Keith Peacock describes as a shift of the traditional role of artistic directors “from the aesthetic towards the managerial”. To many such as Sir Peter Hall who have shown strong criticism against governments’ arts policies and spending on the arts since Mrs Thatcher, for instance, the weighting of the role of artistic director from the aesthetic towards the managerial was undesirable. However, in the theatre economy of the 1990s in which running a theatre company is not dissimilar to running a business company, without giving a great deal of thought to theatre management, few theatre companies would have survived. The spirit of the progressive age, which had dictated the old Playhouse in the early 1970s; the assimilation of failures, the selection of plays with little consideration of the box office, and the constantly affordable ticket prices, is a thing of the past. Instead, the management of the WYP is dictated by a post-Thatcher theatre economy - “partnership with industry, commerce and political parties” - being now one of its missions. Thus, what the Playhouse did in the 1990s - Jude Kelly’s
managerial approach, the theatre’s deep involvement in outreach programmes for utilitarian social purposes beneficial also for obtaining commercial sponsorship, arts subsidy and the lottery money,63 its increasing resort to musicals and transfers preferably to London where they produce money and enhance reputation,64 its frequent co-productions with other companies, and its willingness to work with stars such as Timothy West, Warren Mitchell and Sir Ian McKellen65 - was simply a slice of truth concerning the practices unavoidable in the British theatre of the 1990s.
Maggie Saxon, an interview with author, 5 June 2000.


Ibid., p. 11.


However, built as a temporary base within Leeds University, the Leeds Playhouse’s foyer and bar/restaurant were by no means ‘lavish’ and ‘fulsome’. Unlike the lavishly built Sheffield Crucible Theatre, nor was the Playhouse’s building itself a celebration of civic pride.


Initially, Harrison did not intend to work in Leeds for such a long time. He made a one-year contract in 1972. From his career experience based on spells at the Nottingham Playhouse, the Bristol Old Vic and the Birmingham Rep, Harrison, working in TV as a producer at this time, said; I “made a sort of vow not to work in regional theatre again. I had found all theatre governors to be rather a pain”. However, his view of the audience in Leeds gradually changed during the contracted year, so that he realised that “The audience here, the atmosphere here is the best in England”. Consequently, he stayed in Leeds for 18 years. [John Harrison, The Yorkshire Post, 9 May 1989] He directed two plays in the first season at the new WYP in 1990, ant then, he returned to freelance.


Ibid.

Twelfth Night, a souvenir programme for the farewell production at Leeds Playhouse, 1989.


John Harrison, an interview with author, Op cit. However, the Leeds Playhouse had received much more subsidy than any other touring companies. Its subsidy figure will be compared with that of Red Ladder which will be dealt with in the next chapter as an evidence of the Arts Council’s elitist attitude towards centres of excellence.

For instance, one of her responsibilities in the RSC was to organise the W.H. Smith Youth Festival at The Other Place and from October 1986 to July 1988, she worked as the community festival director for The York Mystery Plays.

William Weston was administrator for the Leeds Playhouse for eight years and became Executive Director in August 1988.

John Harrison, an interview with author, Op cit.


Maureen Rooksby, Associate Director of Arts Development Unit, an interview with author, June 5 2000.


A talk with the man receiving applications for the Heydays, 12 July 2000.


Ibid., p. 6.

The Playhouse’s pamphlet for the spring season from January to June in 1994, Leeds Theatre Trust Limited.


Ibid.

Quoted from The Guardian, 6 March 1995, p. 3.


Ibid.
However, it should be borne in mind that the WYP has received relatively generous financial support from the central and local government while most regional theatres have been suffered from frozen subsidy for several years from 1993/94. Its subsidy figures will be shown later in this chapter.

According to Maggie Saxon, musicals have been mostly responsible for the rise of ticket price. The price for musicals has been normally £4 or £5 more expensive than that for non-musicals. While one full price ticket for its musical Martin Guerre (1998) was £15.60 in A area from Monday to Thursday evenings, the same ticket for The Seagull (1998) was £11.60.


All these five figures from the Arts Council Appraisal Document, 1999, Op cit.

The funding responsibility for the Playhouse was delegated to Yorkshire and Humberside Regional Arts Board in 1993.

Moreen Rooksby, an interview with author, Op cit.

Jude Kelly, Financial Times, 29 January 1995, p. 6

For instance, in 1992 BT sponsored John Godber’s Happy Families whose theme was that to call home is always good.


According to Maggie Saxon, the total of its resident actors’ working hour was reduced from 1998 to 1999. However, its reduction was offset by increasing the employment of touring companies’ actors. She regarded them as nothing more than Playhouse actors as long as they were performing in the Playhouse which paid them.


John Harrison, an interview with author, Op cit.


His only stage play of the 1980s, Real Dreams, was relegated to the pit in the Barbican.

Jude Kelly’s claim in here was made as a response to the demand in 1994 from 86 playwrights that regional theatre directors should commit a quota of three new plays a year.


Maggie Saxon, an interview with author, Op cit.

Ibid.


Sir Ian McKellen left London for Leeds in order to discover a wider social and ethnic mix of playgoers. However, he found little difference between London bourgeois audiences and Leeds ones, saying that “Basically people who go to the theatre in Leeds are the same as in any other part of the country”. [Sir Ian McKellen, quoted from The Guardian, 27 February 1999, p. 15]


John Harrison, an interview with author, Op cit.


For instance, the WYP began to receive New Opportunities Lottery Fund, controversially introduced by New Labour for the reason of the breach of additiveness, for its after-school community programme, SPARK.

John Harrison says; “The Tempest was the only production which I took to London. She is more ambitious in that area. That’s good, because it has raised the profile of the Playhouse”. [John Harrison, an interview with author, Op cit.]

During a seven-month season, Sir Ian McKellen certainly contributed a star name in such productions as The Seagull, Present Laughter by Noel Coward and The Tempest. The Seagull achieved 94% of audience attendance over 38 performances, and Present Laughter 97% over 37 performances, and The Tempest exceeded box office expectations. [Chairman’s Statement, Financial Statement, Leeds Theatre Trust Limited, 3 April 1999, p. 1]
Chapter VI: The Red Ladder Theatre Company

One of the reasons why Red Ladder is so old compared to many other companies is that it changed with the times. ... In the 1990s it simply became a situation where it was no longer possible to do work in the same way that we had in the 1970s. Our major individual characteristic is the fact that we are the company who uniquely works with youth service touring nationally and working very strategically to access young people in a non-school environment. The space we perform is often a cultural desert into which few companies go – a tiny little building in the middle of housing estate in a rural area with a bunch of young people. We are probably the only company that exclusively goes to that area.1

Introduction

This chapter will deal with the Red Ladder theatre company from agitprop theatre for the working class in the early 1970s to young people's theatre after 1985. The reason why Red Ladder has been chosen is that the company has continued to modify itself to the changing climate of the times as political, economic and cultural circumstances changed. An examination of the company’s history will offer a detailed illustration of what this thesis has already explored – the collapse of the British political theatre after Thatcher’s government. The aim of this chapter is, therefore, to employ a case-study of the process of the company's deradicalisation over three decades to demonstrate the political, economic and cultural effect on the British political theatre explored in the previous chapters.
For this case-study, as with the West Yorkshire Playhouse, comprehensive materials such as pamphlets, programmes and annual reports of the Red Ladder company will be cited. An interview with the Artistic Director currently in post from 1998, Wendy Harris, will be also quoted to both see its contemporary state and support what has been discovered from those materials.

Red Ladder from Agitprop Theatre to Young People's Theatre

From the late 1960s, Britain witnessed the proliferation of small-scale political theatre companies such as CAST (Cartoon Archetypical Slogan Theatre, 1968), 7:84 Theatre Company (1971). There are several reasons why these political companies came into being mostly from the late 1960s. The political climate of that time was one of them.

During the 1950s and 1960s, Britain was affluent and stable. Positive steps had also been made for social change, such as nationalisation and the creation of the welfare state. However, for many young people, particularly, for those who were affected by the 1944 Education Act, either from working class or from middle class, these steps were seen merely as "tokenism" or "revisionism" in a predominantly capitalist society. As Catherine Itzin has observed, they identified a "materialist myth"; "Young people could see clearly, often for the first time, the contradictions between what they had been educated to expect and the reality of the world around
them; they saw that their very standards of living were at the direct expense of the sub-standards of the imperialised third of the world”. Particularly, the young had great expectations of the 1964 Labour government. However, they were disillusioned by the government’s inability to deal with such mythical social and economic injustice within Britain. From this disillusionment in Britain came the events of 1968.

It is said that 1968 was the zenith of the political climate of the 1960s, triggering the concurrent outbreak of strong political activism world-wide; the Democratic Convention in Chicago with tear gas and tanks in the streets, world-wide anti-Vietnam demonstrations as the war reached its peak that were mounted in Britain by the Vietnam Solidarity Campaign in Grosvenor Square with 30,000 demonstrators, and, most importantly, the Anarchist Events of May in Paris where numerous students joined forces with nine million striking workers to protest against the state. After the failure of the latter to radically change the state, in Britain, oppositional events did not remain random, but became a movement of the political left, appealing to Marx as a symbol of the revolutionary transformation of society. David Widgery drew a conclusion concerning this time;

The ideas of the revolutionary Left, seeds carefully if somewhat dustily shielded from the light of twenty years’ boom, returned again to the working-class soil from which they had come. The books of Marx and Lenin, of Trotsky and Luxemburg began to find readers again in the movement which thought it had outgrown them thirty years ago. .... by the end of the sixties ... revolutionary trade-unionism had been reborn into a world of immense working-class possibilities ... out of the realities of the modern class struggle.
This radical political climate was, in turn, reflected in the theatre, motivating a new generation of such politically conscious theatre workers as Chris Rawlence, Richard Seyd, and Richard Stourac to consider how to relate theatre to the political reality of the times. In this climate, a political touring company, AgitProp Street Players, later changed to Red Ladder Mobile Workers Theatre (Red Ladder), came into being in London in July 1968. Richard Stourac, one of the founding members of Red Ladder who worked in the company mostly during the 1970s, spoke about the issues of "Why Red?" and "Why Ladder?", at a Birmingham University 'Better Ladder' theatre conference in 1998, which was held to commemorate the 30th anniversary of Red Ladder;

What we did share with the generation of political and cultural activists of the time was that we sincerely believed that we could achieve mental, radical, political, and social change in our life time. ... Parliament was seen as formal, superficial and alienated democratic operators for direct action and immediate change. ... So we made a decision that we would perform for working class people ideally at the point of struggle in order to directly link our work to their daily struggle and their territory. ... We were anti-establishment red against bourgeois culture and ideology, social and political alienation, division of labour, hierarchies, and professional established theatre operators, but democratically red for collective creativity and responsibility, integrated culture — cultural politics and political culture. ... Ladder was a practical thing. For us visibility was important because we performed in non-theatre spaces with extremely large crowds of people. Ladder was useful visual theatre language to show hierarchy. It created visualisation of different levels that existed in society.⁴

The disintegration of industrial relations during the Heath government recession gave Red Ladder an almost endless source of material. As a company internal document indicates, under the Heath government, class issues were strongly "black and white", and the class struggle was "epic" in its nature.⁵ During the period 1970-1974, millions of workers became involved in political and industrial struggle.
Tens of thousands of workers protested against the penal clauses of the 1971 Industrial Relations Act, implemented after five dockers' shop stewards were jailed in Pentonville Prison for contempt of court in 1972. The nation-wide miners strike in 1972 and 1973 removed the credibility of the Heath government and led to the conditions which made a general election necessary. Edward Heath was defeated, and lamented; “Who governs Britain? Miners?”

The company presented short sketches and plays that fed directly into its “ready-made audiences”, who “were not a ‘converted’ militant few”. Its early agitprop works included; tenants' plays such as The Rose-Tinted Spectacles (1969), Squatters Play (1969) about homeless people; Stuff Your Penal Up Your Bonus for the Fords workers’ queuing for strike pay at Dagenham (1969); The Big Con (1970) about productivity bargaining; Happy Robots (1972), a technology play. The National Cake (1972), performed during the mass demonstration organised a few hours after the fifth dockers’ shop steward had been imprisoned for acting against the Industrial Relations Act, clearly characterised the agitprop nature of the company’s early work;

Feeling is running high during this demonstration. One of the dockers shop stewards introduces the performance of a Red Ladder as summing up the attitude of the imprisoned dockers to the Industrial Relations Act. ... On top of the cake sits the boss, heavily made up and wearing a union jack topper; on his right stands the Tory with the head of Heath, on his left a giant puppet representing international capitalism. The workers are on the ground, the union official, with a huge FEATHER in his hat, is between top and bottom on the ladder. The whole is a visualisation of the class structure. As each layer of the cake goes on, the cooks receive their wages - large coloured moneybags marked ‘WAGES’ - and exchange them for a slice of the cake they have baked. ... Invariably the slice, eaten away by inflation, is too small to live on; they demand what they need - more cake. But the Tory, aware of imminent economic crisis, tells the employers not to grant the demand. The workers raise their giant knife - marked ‘STRIKE’ - and threaten to plunge it into the national cake. Urged by the capitalist, the Tory frames the Industrial Relations Act to destroy the workers bargaining power and break their strike knife. ... Feather, the trade
union official, ... legally bound with a chain around his neck he is forced to
discipline his members - unaware of the police helmet held above him - to
call off an "illegal" strike. The shop steward, defying Feather and the court
order gets arrested and jailed. "Alright brothers and sisters", agitate the
remaining workers, "one of us is in jail. ... All out strike!" and "General
Strike!" comes from the audience getting more and more involved. ... The
jail is dropped and the workers rise swinging the knife towards Heath's
head held aloft by the trembling employer. The cymbal crash accentuates
the beheading; head in hand the steward advances on the audience: "We
don't just want more cake; we want the bloody bakery!!!"6

However, from the mid-1970s, Red Ladder's radicalism was gradually
lessened. This was mainly due to the changing political climate. While Red Ladder
could play an important role as an agitprop company at a particular period of history
when class issues were much more "black and white", the agitprop style became
inappropriate as political circumstances changed.

By 1974, the political climate began to alter. The mass confrontation of the
past four years was almost over. Although important struggles continued in the next
few years, the overt evidence of class struggle was declining. This inevitably affected
the composition of Red Ladder's audience. Chris Rawlence recalled; "After 1974
there was a lessening of the struggle. Fewer people were actively involved. Fewer
went to meetings. Our ready-made audiences began to dwindle to the 'committed' or
'converted'.7 The company felt an urgent need to change. He added;

We were faced with a choice; to make a political theatre for the politically
conscious sector of the working class - those who continued to be actively
involved; or to seek a broad working-class audience which would be
attracted to our shows first and foremost because they offered the prospect
of a good night out.8
After having a lengthy process of debate during 1973/74, the company opted for the latter - the creating of popular socialist theatre. To this end, the company, firstly, decided to deal with issues of women's oppression under patriarchy as equally important as those of class oppression under capitalism. This means that under the pressure of the gradual decrease in its "ready-made audiences", the company felt a need to turn to the then popular and crucial issues concerning women in order to keep the company moving forward. In thematic terms, this meant that the company did not now solely deal with radical class issues.

In theatrical terms, the company also abandoned its sole reliance on the agitprop style. In its early agitprop period, the company regarded the nature of its work as "a means to an end" to change the political consciousness of its audiences. Chris Rawlence recalled this at a ‘Better Red’ conference; “We were consciously anti-artistic. Anything that was too cultural was conceived as a surplus in delivering our simple political message”. Richard Seyd added;

we were unable to fulfil the artistic task of portraying and interpreting the way people operate, and why they operate in that particular way, revealing the contradictions as they grow out of the social, economic and political conditions of society itself ... because of its tendency towards ‘St. George and the Dragonism’ - the good guys and the bad guys.

In Chris Rawlence’s words, these “political Frankensteins” became a problem to the company in the mid-1970s. Richard Seyd concluded; “the canonisation of agitprop as the form of revolutionary socialist theatre is wrong. ... unless the audience is already relatively class conscious, agitprop falls on deaf ears”. Seyd’s argument
offered David Edgar grounds for his suspicion concerning the efficacy of the British political theatre in the 1970s. This will be examined later.

Realising this problem under the changing political climate, the company felt a need for a theatrically different style with aesthetic considerations. For the first time, Red Ladder employed elements from, what it had previously called, the “bourgeois dramatic tradition” based on Aristotelian forms such as characterisation and the concept of place or time. It combined those with the Brechtian concept of Epic theatre as an antidote to the potential bourgeois individualism of those elements. In this way, the company began to “humanise” the “political Frankensteins”, by means of a more sophisticated examination of character while trying not to lose the play’s political message. Its production, *A Women’s Work Is Never Done* (1974), was a test bed to discover whether “art is reconcilable with politics”.

In addition to the change in dramatic form, there was another significant change. In 1976, Red Ladder, which until that time had been touring the South East, decided to settle down permanently in Leeds. The decision was, first of all, related to the general problem faced by small-scale touring companies. The company’s 1977/78 report said;
The company did not consider London to be a proper place to develop that presence, because of the disproportionate number of small-scale companies based in London as against the rest of the country. Catherine Itzin’s 1975 *Alternative Theatre Handbook* listed 130 such companies. Of these, 70% were based in London. The decision to settle down was also closely related to the dwindling of its “ready-made audience” from the politically conscious sector. The evaporation, as Chris Rawlence pointed out, inevitably made the company shift towards a popular socialist theatre pursuing a broadly working class non-theatre-going public who were not necessarily politically conscious. Thus, the company hoped to establish itself as a community-based cultural resource in the Yorkshire area. To this end, Red Ladder made a ten-year strategy to open up seventy local venues where audiences did not necessarily support socialism or feminism such as working men’s clubs and community halls. However, as the company admitted, this was far from easy; “Opening them up for our show was challenging and difficult. It often required months of painstaking negotiation with club committees, worried for their bar profits, doubtful about getting an audience”.¹⁵ In addition, although the company continuously raised and discussed the issues of how to reconcile art with politics,¹⁶ and although there were shows which the company claimed as successful such as *A Women’s Work Is Never Done*, it came to realise how difficult it was to reconcile art with politics with audiences who were often wary of the plays’ political nature. Chris Rawlence and Steve Trafford recalled this with the production *It Makes You Sick* (1976) - a show about the political issues of the N.H.S;
... the balance between politics and entertainment is hard to gauge. A left-wing critic in London, seeing the show, declared that the red was wearing off the ladder, in an Otley working men's club we were paid off at half time - 'Commie rubbish'.

It is still difficult to gauge what cultural/political contribution the popular political theatre movement actually made. By the end of the 1970s, around the tenth anniversary of the political events of 1968, socialist theatre workers attempted, for the first time, to critically review its progress over these ten years. In 1979 David Edgar diagnosed a general crisis in the movement. He gave two main reasons for this - the collapse of organised working class action after 1974 and the lack of any revolutionary organisation and culture at the roots of the working class. Quoting Richard Seyd's account of Red Ladder - agitprop's being possible only alongside the militancy of the working class which was then evaporating, David Edgar argued that the intervention of socialist theatre into the working class struggle had been "patchy and peripheral". While he located some potential hope for its improvement in the "politically acute theatrical statements" of dramatists such Edward Bond, David Hare and Howard Brenton, it was futile, he argued, to search for an alternative source in British popular culture, because it had been "atrophied" under the dominant popular cultural forms such as television which had shown reluctance to act as an agency for radical ideas, despite the efforts of dramatists such as Trevor Griffiths. Thus, David Edgar virtually dismissed the possibility of socialist touring groups' being able to create an alternative popular cultural discourse.

There were also theatre workers, however, who did not agree with Edgar's argument. John McGrath had attempted to create a popular entertainment tradition within a socialist ideology. In A Good Night Out he claimed the efficacy of such
small-scale socialist touring groups establishing a working class cultural discourse in opposition to dominant middle class culture during the 1970s. Indeed, he still believed in the oppositional-theatre movement during the Thatcher years when the working class was repressed. In his book, *The Bone Won't Break* (1990), he identified an "area of celebratory, public, all-inclusive theatre", for example, in such theatrical work as Ronconi's Teatro Libero and Jerome Savary's Grand Magic Circus, and in some of the British theatre companies such as Welfare State. Nevertheless, from the viewpoint of Red Ladder's significant change in direction in 1985 from a big 'P' (Political) as a socialist feminist touring company to a small 'p' as a company working solely for young people, David Edgar's argument seems to have been vindicated by the company's progression.

Red Ladder itself acknowledged that "By 1985 the company was to all intents and purposes politically, artistically and financially bankrupt". Although there is little formally written about the reasons why the company went bankrupt, from the company's statement below, it may be possible to detect some clues from what happened to the company in the early 1980s;

It appears that there was a shift way from the pioneering work in clubs towards playing in other venues, largely the Arts Centre circuit to which more and more companies were turning as sources of bookings, income and stability. Red Ladder also began to commission writers, rather than delegating the work of writing plays to particular members of the company. The company seemed locked into a fairly conventional relationship with a stereotypical, white, male working class audience and an uneasy alliance with its upwardly mobile supporters - teachers, social workers and other theatre people.
According to the statement above, a couple of things can be detected. Firstly, the company, which had strictly prohibited itself from performing in theatre buildings and arts centres in the 1970s, began to perform in those venues. Internal documents of the time verify this. For instance, its production, *Safe With Us* (1985), which questioned the Thatcher government's claim that the Health Service is 'safe with us', was presented in the Half Moon Arts Centre and the Unity Theatre in Liverpool. Although these two venues were associated with the Left, significantly, this was seen as the beginning of the decline of the company's anti-establishment theatrical practice.

Closely related to this was a second factor - the company's failure to attract a wide-range of broadly working class audiences and the consequent financial problems. The company's "conventional relationship" and "alliance" with its audience directly reflected David Edgar's claim in 1981 that left-wing theatre had failed to attract a mass, working class audience, with its audience, in fact, consisting "largely (but not exclusively) of teachers, lecturers, social workers, health visitors, journalists, broadcasters, white collar workers, trade union researchers and officials, left party members, campaign supporters and so on".  

The British public lost interest in radical left-wing ideas after the mid-1970s and the company found it difficult to attract audiences with its socialist ideology. Although it claimed a few claimed successful productions, such as *Taking Our Time* (1978) which was performed in forty different venues to over ten thousand people from January to June 1978, Red Ladder failed in its intention of extending the range of its audiences. This was particularly true after the imposition of anti-socialist
policies by the Thatcher government. The conservative political climate in the early and mid-1980s eroded class consciousness and political activism. This led to a comprehensive decline of the company’s targeted audience, which, in turn, led to its critical financial problem.

The company normally mounted two or three productions a year. For instance, in 1984-85, at a time when the nation-wide miners’ strike was on the verge of defeat by Thatcher’s government, the company gave three productions amounting to 110 separate performances and workshops for about 16 weeks. Its audience figures for one week in that year showed, however, how seriously the company was suffering from the decline in its audiences;

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<th>Total Paid-Audience</th>
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<td>Total</td>
<td>154</td>
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Except on Friday and Saturday, the company could not even attract more than 50 people. The average audience attendance figure per performance was 64. This was a seriously reduced figure compared with the average figure of 150 in 1977/88. From this, it is not difficult to see why the company had financial problems. According to Red Ladder’s projected budget for one week in 1985, the total loss reached before subsidy was £5570. In addition, this loss was calculated by assuming
that the total paying-audience attendance would reach 1,150, paying in a total of £1,725. If the total receipt from the above paying-audience - £383 - was applied, the loss in that week was around £6,900.²⁶ If this was the case throughout its total 16 weeks of performance, it is assumed by calculation that the total loss in 1984/85 reached around £110,000 equivalent to £6,900 per performance. Although it received £73,000 in arts subsidy, the company could not make ends meet as it had managed to do in the 1970s²⁷. It is not known exactly how much its accumulated debt had reached by 1985, but it was obvious that the debt brought the company near to bankruptcy.

Besides the company’s failure to attract the audience it wished, there were other factors which negatively affected its finances. One was the Thatcher government’s attack on socialist organisations. For instance, Trade Unions had not only sponsored the company, but also bought its productions on a weekly basis. However, after being systematically weakened by the right-wing government, Unions found it increasingly difficult to support companies like Red Ladder. The company recognised that;

The rule of a Tory government is continuously increasing the pressure on the subsidised arts.²⁸ For Red Ladder Theatre Co. this means that the venues where we have a history of touring eg. Working Mens Clubs, Labour Party, Trade Union events and events sponsored by other political pressure groups, are finding it hard to meet our increasing fees; which stand today at £350 per show outside Yorkshire and £150 within Yorkshire. ... We do not believe that support from this area can be expanded in any dramatic way at a time when the Trade Unions themselves are under attack, and increased unemployment has led to diminishing resources.²⁹
Another adverse influence came from the increasingly politicised Arts Council under Sir William Rees-Mogg. By 1985, the company was concerned that the Arts Council was moving towards a position where productions in Trade Union and Labour clubs were not recognised as public performance.\(^{30}\) It was also concerned that the Council was moving towards the Thatcherite business assessment procedures outlined in *The Glory of the Garden*. In addition, traditionally, the Arts Council, in distributing arts funding, had always put its priority on large building-based theatre companies which could attract a large audience, questioning, by contrast, the audience yielding capacity of small-scale touring companies. This was seen by Council's strategic decision of consolidating the role by setting up 11 regional "centres of excellence", as has been noted in Chapter II. Baz Kershaw argued that 1985 was the key year in the development of alternative theatre. According to his analysis, unlike its expansion until the mid-1980s, the total number of alternative theatre "fell from 313 in 1985 to 272 in 1990". The main reason for this was the blunt reduction in the small-scale touring groups, which dropped from 220 to 187. He saw the main reason for the reduction as "the result of new policies in the funding system; a fall in real terms in the total grant available for theatre, forcing increased reliance on sponsorship and box-office income; greater competition encouraged by the general shift from annual revenue grants towards short-term project grants and 'incentive' funding schemes; the increased blurring of a distinction between alternative and mainstream, as financial shortage in both sectors encouraged a variety of collaborations and transfers".\(^{31}\) All these had an adverse effect on small-scale touring companies – a loss of their raison d'etre, as has been noted in Chapter II by Gillian Hanna, a leading member of the Monstrous Regiment theatre company.
By 1985 in this politically conservative and financially constrained situation Red Ladder found it extremely difficult to continue its socialist mission to bring people together to discuss political ideas and cultural matters. Thus, with all these negative factors in the air it was time to change, or to die along with other political theatre companies of the time.

Instead of liquidating the company, the Arts Council, together with Leeds City Council and Equity, set out to alter Red Ladder’s direction. It proposed a rescue package on the condition that the company would change, first of all, its traditional collective working method - one of the general characteristics of political theatre in the 1970s which attempted to put socialist theory into practice in its own working methods and company structure. Until then, there had been no director, designer and writer within the Red Ladder company. In principle, the company had made plays collectively, performed collectively, and shared all tasks equally. After the change in 1985, the company’s collective principle, which, in John Hoyland’s view, had been the most “thorough” of all the political theatre companies, and been “an absolute model of democracy”,\(^\text{32}\) was eradicated. It was replaced by a hierarchy, consisting of a board of directors which advertises the post of Artistic Director, who takes sole responsibility for running the company. The board also has the right to employ professional writers, designers and performers on a freelance basis.\(^\text{33}\)

The demand of hierarchical management from the Arts Council can be seen to be in the line with what it had done to other political theatre companies during the 1980s. Like Red Ladder, many companies such as CAST and 7:84 (England and Scotland) ceased operating or were forced to alter the direction of their work. The
Council, threatening that any company with the name Red in its title or with a socialist ideology was likely to lose its funding, worked as an agent of the state by trying to weaken their ideological base and dissenting voices. The then current members of Red Ladder were all dismissed even though some of them still wished to continue to work. Just as 7:84 (Scotland) was forced to alter its direction by dismissing John McGrath, so was Red Ladder by dismissing all of its members.

In a sense, however, the company's abandonment of the collective working principle seemed unavoidable in terms of the dominant social and cultural agenda of the time. In the mid-1980s Britain became a society where there was more individual thinking rather than collective thinking. The culture was very much about being successful. The term, yuppie – young urban professional – was born as a key icon of the 1980s. As left-wing principles, such as collectively working together, were challenged, Red Ladder could not help but accept a hierarchy in which successful management reflected in the attainment of high audience figures, was a top priority.

With the appointment of Rachel Feldberg as Artistic Director in 1985 the new Red Ladder was born. Although the issues with which the company dealt have changed with each new Artistic Director, the bottom line is that the company now works solely for young people, dealing with such issues as race, disability, gender and sexual orientation. The current Artistic Director from 1998, Wendy Harris, talked about Red Ladder as a young people's theatre which became fixed after the change; "What we are trying to do is to present entertaining experience which connects to young people, and makes them think about things they may have never thought before, encouraging them to see the world with fresh eyes". The company's
productions include; *On the Line* (1986) about racism among young people; *The Best* (1988) about deaf issues; *Bus Shelter Project* (1990) which toured for young people on the street with issues of homelessness and poverty; *Though the Heavens Fall* (1992) about young people’s feelings about justice and the law; *Caught* (1992) which dealt with issues of teenage pregnancy and young mothers; *No Mean Street* (1993) about HIV/Aids issues for African Caribbean black young people; *The Wound* (1994) which explored the nature of domestic violence and its passage from one generation to the next; *Josie’s Boy* (1996) about issues of single parenting; *Wise Guys* (1998) about contemporary young male issues such as male identity, male violence, drug culture, homelessness, and gangs and criminality.

From a thematic point of view, however, the shift from theatre with socialist issues to theatre for particular interest groups such as young people can be seen as a process of deradicalisation, referred to by the postmodernist, Graham Holderness in Chapter II. John McGrath also argued that the ideology of such groups was “based on the revision that abolished the ‘dictatorship of the proletariat’”.

After the changes instituted in 1985, Red Ladder has been forced to follow guidelines demanded by what the political theatre companies of the 1970s generally regarded as an establishment bourgeois cultural institute - the Arts Council. The company’s proposed three-year-business plan clearly demonstrated that Red Ladder was now assimilating practices of an enterprise culture. As has been mentioned in Chapter II, in 1987 the Council welcomed the then Arts Minister Richard Luce’s three-year-rolling arts funding proposal. Accordingly, the Council demanded three-year-business plans from all its clients. Theatre companies which could not satisfy the
appraisal team which reviewed the plans would not be promoted to three-year secure funding status, and possibly could be demoted to project funding status. Red Ladder made its detailed three-year plan from 1989/90 to 1991/92. It included the company's policy, objectives, key areas for artistic and organisational development, a strategy for youth service, and the required income from arts funding bodies. By the end of the 1990s, making a business plan has become a major task for the company. Wendy Harris talked about the problems of management;

The funding bodies, which are essentially all government-led, were saying that you have to operate this way. ... I would love it if I could spend my time just working with writers and doing workshops, exploring possibilities creatively. But a lot of my work is about promoting the company, filling funding applications, filling strategic documents, and backing up those things such as a business plan. ... If the tour is not selling very well, I have to make sure that I have to get my eye on that. All these take me away from my dream for creativity. I personally believe that arts organisation should be run with artistic vision, not with financial books at hand.35

During the latter half of the 1980s, Red Ladder received a paltry increase in its level of arts funding which reflected the stingy increase in overall arts subsidy from the Thatcher government, from £73,000 in 1985/86 to £83,880 in 1989/90. Its subsidy level in the 1990s also reflected the post-Thatcher restraint in arts subsidy. Below is its subsidy list from 1993/94 to 1998/99;

<table>
<thead>
<tr>
<th>Year</th>
<th>Arts Council of England</th>
<th>Yorkshire and Humberide Arts</th>
<th>West Yorkshire Grants</th>
<th>Regional Arts Associations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993/94</td>
<td>£132,653</td>
<td>£10,000</td>
<td>£5,000</td>
<td>£9,860</td>
</tr>
<tr>
<td>1994/95</td>
<td>£132,700</td>
<td>£10,000</td>
<td>£5,350</td>
<td>£8,700</td>
</tr>
<tr>
<td>1995/96</td>
<td>£132,700</td>
<td>£10,900</td>
<td>£5,000</td>
<td>£12,450</td>
</tr>
<tr>
<td>1996/97</td>
<td>£132,700</td>
<td>£11,000</td>
<td>£5,000</td>
<td>£500</td>
</tr>
<tr>
<td>1997/98</td>
<td>£132,700</td>
<td>£10,000</td>
<td>£0</td>
<td>£0</td>
</tr>
<tr>
<td>1998/99</td>
<td>£140,900</td>
<td>£1,500</td>
<td>£0</td>
<td>£0</td>
</tr>
</tbody>
</table>
According to the table above, just as the total arts subsidy was put on standstill by Major’s and Blair’s government, so was the subsidy received by Red Ladder. It is difficult to compare the subsidy received by one touring theatre company with that of others, because of the different scale of their work. However, it is interesting to note that unlike other companies such as the West Yorkshire Playhouse, in its financial statement documents during the period the company never mentioned anything about its financial difficulties or the problem of standstill subsidy. Indeed, it should be borne in mind that, as Wendy Harris admitted, Red Ladder was one of the few companies which has received a high level of arts funding among companies which have similar roots in the tradition of political theatre. The company had 25% increase in arts subsidy in 1999/2000, and was expecting another increase in 2000/01.

In the early 1990s, the company went through another significant change. In 1993 Red Ladder resumed performance in arts centres and theatre buildings. The company had occasionally performed in those venues in the early 1980s as has been mentioned earlier, but stopped this from 1984 to 1993. After changing its policy for young people in 1985, the company was reluctant to perform in Arts Centres and theatre buildings, because theatrical performances became less and less attractive to young people. Those venues were also reluctant to invite the company’s productions mainly due to concern about potential financial loss. Red Ladder only performed in Youth Centres and similar venues which, with financial support from local authorities, could buy its productions on a weekly basis. After buying the productions, those venues were in charge of advertising them and attracting audiences. The performances were all closed shops, not open to the general public but only to young people and
their accompanying parents. In the 1990s, the Arts Council, for whom accessibility had hitherto been a top priority, increasingly encouraged Arts Centres and building-based theatre companies to target young people.\textsuperscript{39} This is particularly true after the New Labour government repeatedly emphasised the importance of “Education, Education and Education!” Those venues were now forced to buy seemingly unpopular productions for young people, and were in charge of everything including their publicity and financial outcome.\textsuperscript{40} Red Ladder, with its production \textit{Sleeping Dog} (1993/94), resumed performing in such venues, now without left-wing associations, as the Wakefield Arts Centre and the Mercat Theatre in Glasgow.

The company has significantly increased its performance in those venues. In its 12-week tour from April to July in 1996, 18 out of total 51 performances were given in such venues as the Warwick Arts Centre, the Gatehouse Theatre in Stafford and the Oval Theatre in London. From April to July in 1997, it gave 16 performances out of 50 in the Harrow Arts Centre and the Theatre in Mill in Bradford. This trend was continuing in 1999. Its significance is that the company has been further assimilating itself into the established and mainstream theatrical climate.

In terms of production-style, Red Ladder has followed the mainstream theatrical fashion of the 1990s. Its \textit{Mixed Blessings} (1994) marked the beginning of the company’s desire to explore visual and physical theatre. This was devised primarily by the choreographer Leo Hamilton and the musical director Edward Lynch, founding members of the Phoenix Dance Company. \textit{Wise Guys} (1998), by award winning writer Philip Osment, was another show with a strong physical style. Its current touring production in 2000/01, \textit{Picture Me}, written by Noel Greig, offered multi-
media photographic and moving imagery to its audience by using magic, live music and video installation. During the 1990s, the visual and physical theatre movement has, to a great extent, replaced the popular political theatre movement of the previous generation. This does not necessarily mean that visual and physical theatre cannot be political. Volcano and DV8 have often dealt with sexual politics. Generally speaking, however, their shows lack narrative discourse, chiefly relying on physical vocabulary and sophisticated visual imagery. The general public may find it difficult to understand such shows which, therefore, appeal primarily to a particular group, for example, young people who are not interested in politics and impressed by the skilled physical-visual spectacle. Red Ladder's introduction of a visual and physical aesthetic shows that the company does not want to be left behind, in a world where established companies such as the West Yorkshire Playhouse mentioned earlier are trying to update their work for young people. This is particularly necessary for Red Ladder as its audience group consists chiefly of the young.

After the appointment of an Asian woman, Kully Thiarai, as Artistic Director in 1994, Red Ladder endeavoured to expand the scope of its activities for ethnic minorities. The company opened the First Asian Theatre School in Bradford in 1998, offering 20 Asian participants a five-day tuition in theatre craft including performance, movement, and Asian Theatre aesthetic, style and voice work. After the tuition, the company organised Masala Nights, where the participants came together to create a new play with the help of professionals. This was performed at the Theatre in the Mill, Bradford, with a large attendance by the Asian Community. Obviously, these activities are completely at odds with what the company had attempted to do in the 1970s. Instead of enhancing working-class solidarity, they could now be seen to
be following the same lines as main-stream theatres’ strategy for the enhancement of the artistic, cultural and social life of the community, as the West Yorkshire Playhouse has done with its community work. At the same time, perhaps more importantly, these activities have ultimately proved beneficial for sponsorship and arts subsidy. Wendy Harris claimed that the company “has not jumped through a particular hoop” for the subsidy, but she said;

The increase in arts subsidy in 1999 and 2000 was possible because we are absolutely on the agenda of the government and the Arts Council. They have prioritised an arts agenda on education, young people, social responsibility, and access. Actually, we have been doing these for years. They knew this, and said; ‘We value you, and you deserve more money’.

The priority for new writing has been a foremost concern of the company since its formation. When working on the basis of the collective principle in the 1970s, the company did not commission writers. It created plays collectively. Plays produced during the period were all new. As has been noted earlier in this Chapter, the company slowly began to commission writers. After going through the big change of 1985, this has increasingly become a common practice. From the company’s internal documents, it is not difficult to see the company’s priority for new writing. In its Draft Artistic Policy in 1986, the company stated that it should commission at least one show from new writers during 1986/87. In the 1990s, with comparatively stable arts funding, the company, with only 3 full-time staff, has been able to take on one of the riskiest things in the post-Thatcher theatre economy - a commitment to new writing. All of its 20 national touring productions in the 1990s were new plays. Roy Williams’s Josie’s Boys (1996) came into being as a result of the first commission
from a young black playwright. The company was eager to find the new talent. In 1995, it hosted a workshop, ‘World Within Words’ as a young writers project. After the workshop, selected pieces were performed at such a high profile venues as the West Yorkshire Playhouse. In the 1996/97 season, Red Ladder mounted a participatory residency project in which young people, working with a team of professionals, created a performance piece which played to a sell-out audience in Shropshire. Wendy Harris claimed that “We strive to encourage young people to write for us and take risks with new writers, which are often things other companies could not afford to do”. It appears true that Red Ladder has maintained the same role in the 1990s as many touring companies had done in the 1970s to offer a training ground for unknown writers and inspire them to write for the company, a role which has almost disappeared under the theatre economy of the 1990s.

Nevertheless, it should be recognised that among the 20 new plays, 14 plays were written by established writers. Gilly Fraser, who wrote The Wound (1994) for the company, had written extensively for both film and television. She also wrote Domestic Affair for the Royal Court. Irish writer Lin Coghlan wrote Walking (1995) for the company. Before this, she had worked with many companies including Theatre Centre, Nottingham Roundabout and The Half Moon. In 1998, the company had commissioned award winning writer, Noel Greig, who had written many plays for the Sheffield Crucible Theatre in the early 1990s. Commissioning writers of high profile - at least locally and, preferably, nationally - has become the company’s major concern, perhaps due to its initiation of performing inside theatre buildings to which the public could be attracted by plays written by established writers. Red Ladder, like other theatre companies, has reflected the theatre economy of the 1990s by, perhaps
unconsciously, programming in terms of business. Despite the danger she pointed out earlier, Wendy Harris, who is the only person amongst the three full-time staff who takes the full responsibility for management, admitted the inevitability of running theatre as a business;

Like any business, for survival, we are running a business. Personally, I am driven by the need for creative work, but I also seriously believe in the importance of good management. That goes right down from who I employ to how I employ them, and the way we operate as a team and the way we communicate. It is important to run our business effectively and efficiently. That does not necessarily impact directly on our creative work, but I think it creates a good environment for functioning.43

As the 1993 British Alternative Theatre Directory acknowledged, during the 1990s it could not maintain the distinction between alternative and mainstream theatre. Indeed, in the case of my two case studies, there seems to be no significant difference between the WYP’s work for young people and Red Ladder’s. The difference is that issues concerning young people have been the only focus for Red Ladder, whereas such issues have been only one of many for the WYP. Another difference, as Wendy Harris claimed, is that whereas the WYP, with its Schools Company, tours schools in Leeds, Red Ladder ventures into the wider “cultural desert”.

By the end of the 1990s, it was impossible to detect, within Red Ladder, the progressive spirit of the 1960s and 1970s. As I have illustrated, Red Ladder has changed radically. It has lost its ideological significance as an alternative voice to capitalism and its cultural significance as an alternative to a dominant middle class
culture. Since 1985, Red Ladder’s management has ceased to be collective and has moved towards a hierarchy. Red Ladder is still taking theatre to people who, otherwise, would not experience it, but not to the working class but to young people. The company still conducts its traditional post-performance audience participatory event, but it is not used for political activism but to provide an opportunity for a special constituency audience to discuss the issues presented. In the 1990s, the company no longer embodies the term, ‘socialist’. Wendy Harris summed up the current state of Red Ladder;

We are not waving a red flag saying that we are a group of socialists. Rather, we would say that we are company who, in terms of sympathy, sits more on the left than it does anywhere else. We may call ourselves Lilac Ladder now, just as New Labour, wearing blue suits, decorated its first party conference with lilacs instead of red roses.44

In the 1990s, as was the case with the Red Ladder company, Political Theatre in terms of a capital ‘P’ was seen as out-dated, harking back to a bygone era when the concept of class had definitive meaning. It is true that there are still a few committed political theatre companies such as Banner Theatre, but their work is isolated and of a much smaller scale. The changed political and cultural climate has made their work less evidently relevant. New Labour has accepted post-Thatcherite enterprise values, and its leader Tony Blair has significantly deradicalised the Labour movement by abolishing its traditional symbol of the commitment to socialist ideal - common ownership. Left/Right political activism is now viewed with apathy, and conflict has moved from party ideology to single interest groups. It is little wonder to see that by
the end of 2000, the Red Ladder company was in the process of changing its red ladder logo which has been a symbol for its big Political outlook since its formation.

In the 1990s in *The British Theatre Directory* or *The Alternative Theatre Directory*, the category, Political Theatre, disappeared. It is inconceivable to envisage the revitalisation of political theatre in the foreseeable future, particularly under the dominance of global capitalism which, to many, is evidence of the victory of capitalism over socialism. The impetus which drove theatre companies such as Red Ladder in the 1970s has by the end of the 1990s been consigned to history.
1 Wendy Harris, Artistic Director of Red Ladder since 1998, an interview with author, 24 October 2000.
2 Catherine Itzin, Op cit., p. 3.
8 Ibid.
9 Project Discussion Document, Op cit., p. 2
12 Ibid.
16 The discussion about this was well illustrated in the company’s Project Discussion Document in 1975.
17 An unpublished article by Chris Rawlence and Steve Trafford on Red Ladder, quoted from Catherine Itzin, Op cit., p. 49.
21 Ibid., 3.7.
27 For instance, in 1977/78, the company managed to make both ends meet with the total income of £30,000 and the total expenditure of £29,700.
28 The pressure included the government’s constraint on arts subsidy. During the first half of the 1980s, Red Ladder received subsidy level far less than inflation level from £69,000 in 1982/83 to £73,000 in 1985/86. This implemented its own cut in production budgets by half and reducing the performing company. [A booklet for its publicity, Red Ladder Theatre Company, ‘7) Funding’, 1985]
32 John Hoyland, an interview with Catherine Itzin in 1978, quoted from Itzin, Op cit., p. 47
34 Wendy Harris, an interview with author, Op cit.
35 Ibid.
36 Financial Statements, from 1993/94 to 1998/99, Red Ladder Theatre Company Limited. There were some other sources of its subsidy, but they were minimal from hundreds to a few thousands pounds except the Arts Council Touring grant, £14,180, in 1994/95.
37 By contrast, Banner Theatre has received, if any, little public subsidy from the Arts Council during the 1990s. The main reason for this was that the company has refused to change its direction. In the 1990s the company has still been pursuing politically motivated works, dealing with issues such as globalised capitalism, and performing in local Labour Parties and Trade Councils.
38 According to Wendy Harris, these increases were possible mainly because the company has worked on the basis of an utilitarian social purpose which is the main artistic agenda set by the government and the Arts Council. Wendy Harris’s view will be cited again later.
According to Touring Manager Stefanie Gascoine, Red Ladder sold its productions to youth clubs or theatre companies normally with three thousands for on a weekly basis in 1999. [Stefanie Gascoine, a talk with author, 24 August 2000]

This is why, Managing Director of the West Yorkshire Playhouse, Maggie Saxon, argued that touring companies’ actors belonged to the Playhouse while they were performing in it because it paid them.

In 1998/99 when the company organised the Asian Theatre School, Red Ladder received many different small subsidies from sponsors for that project. It received £500 from the Bradford Council, £500 from the Education Trust, £1,000 from the Princes Trust, £3,000 from the Baring Foundation, £1,500 from Provident Financial, and £1,500 from Nat West.

Wendy Harris, an interview with author, *Op cit.*

Ibid.

Ibid.
This study has examined its main subject - theatre economics and management in the 1990s - in the light of such issues as political Thatcherism and its impact on the Labour Party, economic Thatcherism and its impact on the Arts Council, ideological Thatcherism and its impact on political theatre. It has illustrated that, owing to the government dominant funding structure set up after World War II, Government manipulation of arts subsidy has been the main cause for change in the British theatre during the past two decades.

Following Margaret Thatcher’s questioning of the need for arts subsidy; “Oh, you artists, we give you money and you go on. We cut your money and you still go on”, the New Right, and subsequently even Tony Blair, have been less enthusiastic about the public funding of the British non-profit-making theatre. As has been mentioned, David Sawers, in his article, Should the Taxpayer Support the Arts?, argued that the arts in Britain have survived and flourished for centuries before the emergence of the Arts Council, and suggested that the government should take a firm action to dismantle arts subsidy by abolishing the Arts Council. Alan Collins and Chris Hand of the University of Portsmouth, in their article, Making a Crisis out of a Drama: Should we Continue Public Financial Support for the British Theatre?, concluded after their economic analysis of arts subsidy that;

In short, the case for continued arts subsidy is certainly not compelling, especially with regard to the alleged external consumption benefits ... Further, given the history of public services of much greater social and economic significance that have been subsidised to privatization and
However, on what grounds, financial or managerial, is it necessary to halt Arts Council funding which, according to Lord Gowrie in 1995, equalled only 0.06% of total public expenditure? What this study has examined is that the move toward such a view has undesirably affected not only the structure and morale of the theatre business but also has altered the relationship between companies and their audiences, and has subtly changed dramatic and theatrical discourse.

The most critical legacy of Thatcher’s government on theatre in the 1990s was its pushing theatre into a market place through its continuous restraint of arts subsidy. Since the publication of the Arts Council’s strategic and internal documents in the mid-1980s such as The Glory of the Garden and Partnership: Making Arts Money Work Harder, that market ethic has steadily and firmly become a dominant force in the theatre world. The market ethic has no longer allowed theatre workers to place aesthetic and spiritual consideration of their productions as a top priority. For instance, artistic directors, under the financial pressure, have had to undertake such managerial tasks as making business plans and seeking diversified sources of funding. Jude Kelly cynically commented on the lingering impact of Thatcherite capitalism on her theatre management in the mid-1990s; “Of course, one hopes for a future that doesn’t include being obliged to spin the various plates of arts awards, lotteries, bursaries, charitable giving and EEC funding in order to balance the books”.

Under the dominance of the market ethic, failure of productions has been unthinkable. Artistic directors in the subsidised sector have begun to exhibit the
similar attitudes to those of directors in the commercial sector, considering their productions as commercial rather than public goods. Thus, there has been a growing inclination towards marketable safe programmes. This in turn has been reflected in the theatrical conservatism and materialism of the Royal National and RSC’s investment in the West End boom in musicals. By contrast, theatrical experimentation and room for new plays particularly by new writers has become increasingly rare. In 1998, The National Campaign for the Arts revealed an unhealthy trend in the British regional theatres – a cut in in-house productions, reduction in cast size, reluctance to employ full-time actors, a sharp rise in ticket prices, more resort to musicals, and less and less interest in new plays.

Despite the underlying questioning of the current necessity for Arts funding, in 1999, the Cultural Minister, Chris Smith, still set out “ten goals for the arts aimed to bring the best things in life to the greatest number of people – excellence, innovation, a thriving arts sector, more consumption of the arts, more participation in the arts, more relevant training for the arts sector, better use of arts in education, combating social exclusion and promoting regeneration, improving public perceptions of the arts, and promoting British culture overseas”. However, theatres cannot be asked to carry so many social burdens to continue being part of the welfare state without the funding to match.

The New Labour government, after its two years retention of Tory’s spending plans, increased arts subsidy for the year 1999-2000. Nevertheless, the effect of the long standstill in arts subsidy has been so severe that the increase was of little help to most theatre companies to fulfil the ten goals set out by Chris Smith.
In September 1999 the Arts Council commissioned a review of the role and function of 50 regional building-based producing theatres in England from the arts management consultants, Peter Boyden Associates Ltd. The Boyden Report’s findings were shockingly gloomy. In January 2000, its preliminary report revealed that chronic underfunding since the Thatcher governments has given regional theatres “little chance of trading their way out of trouble”. It warned that a failure to take risks for fear of further financial losses has cramped and strangled creativity; “The debilitating artistic impact of fragile balance sheets is a major constraint for producing theatres ... programmes tended to be conservative and innovation was discouraged”. It confirmed detrimental aspects of the now widely-held concept of theatre as part of “industry” and that over-reliance on populist playwrights such as John Gobder and Alan Ayckbourn has been turning some regional theatres increasingly into “museums”, looking to the past rather than the present. Forced to run the same marketable old reliable items, they have made the next generation of playwrights, who are dealing with current social concerns, look towards television and film. The report also pointed out that huge injection of money from the national lottery has been a mixed blessing “destabilising the trading environment” by favouring big companies in the bigger cities over those in smaller towns, while the increased costs of running new extravagant buildings put a further strain on already straitened budgets. However, the Report praised regional theatres for their devotion to educational work and projects to counter social exclusion. It added; “Many theatres lack the resources they need to fulfil their potential” in this area. It reported that the West Yorkshire Playhouse, which has a remarkable record of educational and community work, has been also in a state of financial crisis, even if it had a huge West End success with its musical, *Spend, Spend, Spend* and its high audience attendance figure in Leeds.5
Regional theatre companies widely welcomed the findings of the Boyden Report. They did not hesitate to point out that a fundamental issue was to do with money. Maggie Saxon, Managing Director of the West Yorkshire Playhouse, said; “The case for more money is irrefutable at this stage. The report is an accurate appraisal of the current situation – it is just foolhardy not to invest in these theatres”. Ted Craig, Artistic Director of Croydon Warehouse, which has been under a constant threat of closure by a property developer after its lottery application to build a new theatre was turned down, argued that “We never have seen any realistic increases in funding. Over 20 years this builds up. It’s a now or never situation, I’m afraid”.

Theatre can play a valuable role in enhancing the aesthetic and spiritual quality of the life in the country. During the progressive age of the 1970s, British theatre made, more or less, a success of this role. However, under the pressure towards the market place by consecutive governments in the 1980s and 1990s, it seems that British theatre can no longer afford to maintain the role. In addition, it has been forced to abandon its progressive social role checking and balancing dominant capitalist values. The collapse of an ideologically alternative theatre after Thatcher has been potentially dangerous. Historical events such as the last two World Wars whose main cause was the dominance of capitalist economic imperialism are evidence of the serious consequences of the unchecked dominance of capitalism.

The government must decide between theatre as commercial entertainment within the Arts as a province solely of an elite or as an integral part of the national culture as contributions to the aesthetic, spiritual, educational and cultural welfare of the nation. I hope that this study, which has implicitly or explicitly suggested ways to rescue theatre from the unhealthy state mentioned above, will serve as a ground for a
debate concerning why theatre matters to society, and why it need to be supported by subsidy rather than commerce.
1 Margaret Thatcher on proposed cuts to the Arts Council, quoted from Andrew Sinclair, *Op cit.*, p. 372.


4 Quoted from the website of Department for Culture, Media and Sport; http://www.culture.gov.uk/creative/index.htm


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