

Digital Culture Around the “Globe”

The Covid-19 crisis is a rare event with large social and economic consequences that will most likely exceed what the optimists are expecting, but not be nearly as dramatic as what the pessimists predict. Human history is an incessant sequence of crises that shape the evolution of societies, but the effect is never detached from the past. Societies, cultures or economies mutate in an evolutionary process that major disruptions accelerate, presenting new challenges and opportunities.

The crisis will have short- and long- term consequences on a range of social domains and economic sectors. The short-term consequences are related to the need to manage the easing of the restrictions, the necessity to maintain social distancing, or the expected drop in consumption that will profoundly affect the prospects of sectors dependent on physical presence, such as tourism, culture or education. For many, especially smaller, organizations, the aftermath of the crisis will pose difficult questions related to survival and the need to reduce budget shortfalls. Governments will have an active role to play at this stage, though this role is naturally constrained by the reduced tax revenue. As economists are already warning, cranking up the money printing press can help maintain employment and prop up viable businesses in the short run, but is perilous in the long run, given the inflationary pressure it generates and elevated rates of indebtedness. Juggling between these contrasting imperatives is the new normality for governments. Elected on promises of sustained growth and lower unemployment, they are now facing the need to manage the opposite scenario – of rising unemployment, a slowing economy, and a pervasive expectation that things will get worse before they get better. This is what deep, penetrating crises do - they change convictions, invert perspectives and reinforce contradictions that up to now appeared manageable.

The cultural sector illustrates well this development. The crisis is making resurface anxieties about the role of technology, the physical experience of culture and the viability of funding models. Forcing adaptation to the exigencies of social distancing, the crisis will accelerate the digitalization of the cultural sector, overhaul funding models, reduce the dependence on physical presence and create a momentum for scaling up. Accustomed to resolving operational bottlenecks, company directors will need to conceive of new ways to hedge risks and to reduce the uncertainty related to sanitary threats.

Our collective experiences during the crisis confirmed that culture is indispensable in times of ordeal, but that it is more fragile than we think. This reminds of how cultural life helped societies cope during the Second World War and rebuild in its aftermath. However, the postwar years also underlined the insufficiency of the economic and social fabric that sustained culture. The declining personal fortunes of aristocratic patrons and rapidly increasing labor costs triggered the search for a new equilibrium: if the European societies started heavily subsidizing their cultural economy, the United States shifted the funding responsibility to the private and non-profit sectors.

There are indications that the current crisis may contribute to reducing the continental divide, as the nature of the challenges is common. Organizations in all corners of the world are facing the same difficulties of keeping afloat while implementing sanitary regulations, reorganizing performance space and plugging gaping financial holes. These problems impel ingenuity, as old solutions do not apply anymore. Consider how the strong demand in recent years allowed museums to increase ticket prices without suffering drawbacks. This appears now as a distant memory. In the new reality, there will be fewer visitors, strict restrictions on their numbers and public apprehension as to the safety or necessity of museum visits. This will force museums to reorganize and reduce their staff, adapt their operational models to lower demand and look for alternative sources of funding. It can be expected that smaller organizations will have to cease operations or to procure partnerships in order to survive.

The crisis is likely to change the perspective on technology, as cultural organizations realize that they are vulnerable to unpredictable disruptions to their “physical” model. This will encourage investment in technology and the hedging of operational risk by building up the digital capacity. Many museums already had projects along these lines, but the crisis will reinforce their interest in building up digital audiences. Museums tend to be concerned about diluting the experience of physical attendance when offering digital services, but the crisis will help overcome their reticence.

The crisis compels the reconsideration of the relationships between material and immaterial, digital and physical. These are opposite categories, but they are not incompatible. Direct contact with a work of art is important, and artists and musicians everywhere feel the loss of proximity to the audience. But what the last two months have demonstrated is that performances in a particular time and space can be experienced emotionally by audiences in another time zone or geographic space. As it confined us to our apartments and impeded social interaction, the crisis also helped create a global community of cultural consumers that watched the same performance online and experienced similar emotions in different time zones. This is probably one of the most distinctive characteristics of the crisis: it shrunk the global to fit our computer screens, and it made local events resound globally. It made the digital or immaterial appear tangible, substituting for what we previously enjoyed as physical and proximate.

This experience confirms that digital does not necessarily mean “less”. Multiple cameras and high-quality sound are contributing to an experience that approximates that of the “physical” performance. Patterns of cultural consumption and production are evolving. At the rate at which technology is advancing, it is inevitable that digital platforms will become more important in the consumption of all cultural forms. The art market is leading the way, as we are witnessing a host of new digital initiatives and platforms trying to subvert the physical restrictions on attendance to galleries and auction spaces. It is hard to imagine that these investments will be scaled back upon the relaxation of the restrictions.

The acceleration of the digitalization of culture will have wide-reaching consequences, affecting the organization of work, social inequality and consumer choice. The digital cultural sector was heavily populated in the past by frequent users who liked exploring on a broader scale than their local theatre or opera house can provide. The crisis enlarged considerably the digital audience - many of those who saw a ballet or an opera online for the first time may be tempted to do so on a more regular basis.

There has never been so much cultural content available for free, as nowadays. There are free film festivals, online concerts of all kinds and amateur musicians streaming to the world. The sheer scale of global exposure to cultural content is unprecedented, especially among the more underprivileged parts of the population. It is intriguing to speculate on the effects of the crisis on cultural consumption. The shape of its distribution will probably not change much, but the average values may increase. If the pie is growing in size, the smaller slices would still be bigger than what they used to be in the past.

The expanding digital offer will raise the quality of the product, as companies will compete with each other to attract subscribers and create partnerships with platforms. This means that very high quality productions will become increasingly affordable and accessible. Digitalization facilitates eclecticism and wider choice. Even a seasoned ballet fan can hardly see more than 15-20 performances to one's taste a year, but when you have access to performances in Russia or the UK the choice becomes much greater. Thanks to the digital, it is now easier than ever to be exposed to performances in different genres. Another advantage of the digital is that a performance can be put into context, create a unique experience around it by adding relevant materials. The customer has more power over digital content and the conditions of its consumption.

At the same time, digitalization will reinforce social inequality in the cultural sector. Artists may be forced to change profession, small, independent organizations will cease or transform their operations, as will some of the bigger companies. The recent plea for help of Shakespeare's "Globe" Theatre in London illustrates the complicated economic reality that an organization faces when close to 80% of its revenue comes from tickets. Business models will have to be adapted, new forms of sponsoring will arise, as the crisis pushes companies to innovate in hedging risks. The cultural sector is used to navigating challenges of various kind and is more adaptable than other sectors. The "Globe" theatre stands as a reminder that Shakespeare lived in overcrowded, rat-infested London, and was exposed to some of the nastiest diseases known to mankind. And it is precisely at this time that he created the masterpieces that we cherish today. One can only wonder what imprint our anxious, pandemic times will eventually leave on the history of culture.

Prof. Stoyan V. Sgourev