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**Abstract:** As Western governments re-examine the economic policies of John Maynard Keynes to solve a global financial crisis believed to be almost as severe as the Great Depression, this article examines his influence on arts policy. The article articulates and examines the central assumptions that underlie the arm's length policy model, such as Keynes's preference for semi-autonomous non-governmental bodies, and locates the sources of those assumptions and ideas in Keynes's political philosophy and his involvement in higher education. Knowing this history enables policymakers and arts administrators to recognize how contemporary policy still reflects this thinking.

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**Key words:** arm's length, arts council, Keynes

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## **Keynes's Legacy: An Intellectual's Influence Reflected in Arts Policy**

An examination of the thought and influence of John Maynard Keynes seems timely as Western governments return to his economic policies in a global financial crisis believed to be almost as severe as the Great Depression. Indeed, among the recent commentary about the economist, Keynes biographer Robert Skidelsky and historian Peter Clarke have published new books about Keynes written in the context of the current moment. As scholars, economists, and historians of political economy revisit his legacy to economics, what is left to say about Keynes's legacy to arts policy?

Keynes and his associates took advantage of an historic crisis in 1945 to stabilize funding for the arts in the form of a new institution, the Arts Council of Great Britain. Looking at this history is essential to understanding contemporary policy. For by examining Keynes's ideas about the purpose of policy, and how those ideas were reflected in the organization and practices of the Arts Council of Great Britain, policymakers, analysts, and arts administrators can recognize how contemporary policies still reflect his thinking. Certainly aspects of his legacy have been challenged and debated vigorously, notably his preferences for art forms and institutions of 'high culture' – opera, classical music, ballet, theatre, and art museums. However, this article articulates and examines some of the central assumptions that underlie the 'arm's length' policy model, assumptions that continue to inform contemporary policy, even as the policy practices and funding preferences might be changed to accommodate broader definitions of art and culture.

Keynes hoped for a moral and ethical transition in society and his economic and cultural policies sought to create the conditions for that transition. In this article, I draw

upon interpretations of Keynes's underlying moral approach to public policy, and by his 'moral' approach, I mean the social and economic conditions that good government policy should accomplish for its citizens. I examine his preference for semi-autonomous, non-governmental bodies, the policy mechanism that underlies the 'arm's length' model. Finally I examine the ideas about 'excellence' and professional standards. I draw from Keynes's unpublished correspondence and his published writings, interpretations of his policy work by economists, published histories of the Arts Council, and analyses of arts policy in the United Kingdom.

### **Keynes's Economic Thought and His Idea of 'the State'**

His publication in 1936 of *The General Theory of Employment, Interest, and Money* was welcomed by economists and established Keynes's reputation as the leading economist of his generation. His theoretical work in macroeconomics was emerging as major features of the welfare state were being evaluated and proposed. Along with William Beveridge, he is considered a principal architect of the post-war capitalist welfare state in the United Kingdom. Indeed, Roger Backhouse concludes:

The Keynesian revolutions in economic theory, in macroeconomic policy and in political philosophy are intimately connected with each other. Furthermore, they rest on much broader changes, both within economics and within society more generally [. . .] Keynesian economics did not cause the ideological shift that came about after the Depression and during the Second World War, but it was such an integral part of that shift that the two became hard to disentangle (2006, p. 37-38).<sup>1</sup>

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<sup>1</sup> Bradley W. Bateman's essay in *The Cambridge Companion to Keynes* assesses the varied interpretations and misinterpretations of Keynesian economic theory. See Bateman, 'Keynes and Keynesianism', pp. 271-290. Backhouse and Bateman are co-editors of this collection.

His plans for the Arts Council of Great Britain emerged within this context of post-war state activism and at a time when his reputation was well-established as one of the world's leading economic thinkers. Indeed, Keynes's activism on behalf of the arts has been interpreted by scholars as part of his larger project, which was to establish post-war economic and social conditions that would extend economic stability beyond the middle class to the working classes and the poor. In this effort, he proposed economic policies that, joined with post-war social welfare policies, were intended to blunt the worst excesses of capitalism, namely unemployment and worker exploitation. Indeed, Keynes was acting within a long tradition of English intellectuals to support humanist institutions that they believed to offer a moral alternative to what they saw as the degrading values instilled by industrialism and capitalism (see R. Williams, *Culture and Society 1780-1950*). For a rare and useful overview that examines Keynes's activities and statements about the arts, see the 2005 essay 'Keynes, the Arts, and the State' by Keynes biographer and scholar D.E. Moggridge.

In his economic thought, he argued for aggressive government action to stabilize economies and manage markets and advocated a larger role for the state in post-war social conditions. Politically, Keynes was a Liberal, coming from a tradition of Nonconformist and Liberal families. He might have run for political office had he wanted to, turning down three offers in 1920 from the Liberals to stand for Parliament and continuing to refuse offers during the interwar years (Skidelsky 1992, p. 21). For Keynes was an active and well-known Liberal during the 1920s and 1930s, who 'considered that one of his main roles in the Liberal Party was to wean it away from the last vestiges of Gladstonian free market doctrine' (Brittan 2006, p. 191). He is identified with 'The

Middle Way' of the interwar years, a 'Middle' that was 'in between *laissez-faire* capitalism and state socialism' (Ibid., p. 185). Keynes willingly challenged conventional *laissez-faire* thought, as well as conventional social thinking about issues that affected economic policy such as population growth and pay for women.

According to economists and a biographer, Keynes's conception of 'the state' was broader than a narrowly defined legalistic definition of the monarchy, the Parliament, the judiciary, and the bureaucracy. His conception included those institutions that today would be considered by policy analysts as part of civil society, institutions that, whether publicly or privately owned, operate in the long-term public interest, not in pursuit of short-term profits (Skidelsky 2000, pp. 273-274). These included institutions that provided the infrastructure of society, such as the Bank of England, the railway companies and the ports authority, and he believed that such institutions would grow in influence as the economy grew.

In analyzing his conception of the state, Keynes has been characterized as an 'end-state liberal' by economist Alan Peacock, meaning that he was concerned with the goals of policy (1993, p. 33). And the aim of government, according to Keynes, should be 'equality of contentment' for all citizens:

it will be the role of this country to develop a middle way of economic life which will preserve the liberty, the initiative and (what we are rich in) the idiosyncrasy of the individual in a framework serving the public good, and seeking equality of contentment amongst all (Keynes in Peacock 1993, p. 19).

Thus, government's role was to ensure that all citizens enjoyed the benefits of economic advancement while maintaining basic tenets of individual liberty, thus assuming a moral role for the state (Gray 2000, p. 100). In Keynesian economic theory, achieving this

required the maintenance of a steady level of employment with control over total investment, and the bulk of investment would be managed or influenced by public or semi-public bodies (Peacock 1993, p. 19). By turning to government intervention, he departed from conventional *laissez faire* thought which he saw as rooted in fixed assumptions about individuals and markets, assumptions that had been proven obsolete by worldwide events including the Depression. He willingly departed from economic liberalism to achieve full employment when the free market proved ineffective in reaching that policy goal (Ibid., pp. 34-35).

Peacock and others have pointed out that Keynes envisioned a moral and ethical transition in society, once the economic needs of all citizens were met. Indeed, Keynes was optimistic that the economic questions would be addressed successfully during the twentieth century, due to new economic policy and advancing technologies that controlled population through birth control and shortened working hours. In a 1930 article 'Economic Possibilities for our Grandchildren', he expressed this view: 'his was a vision of capitalism delivering purely material goods in such abundance that the ordering of social arrangements with the primary purpose of fostering further accumulation would be unnecessary' (Moggridge 2005, p. 540). Through 'successfully managed capitalism', people everywhere would have sufficient food, shelter, clothing, and work, with enhanced leisure time enabled by labor-saving technology (Ibid., p. 541). Indeed, Keynes argued that once basic human needs were met, the moral shift would follow:

When the accumulation of wealth is no longer of high social importance, there will be great changes in the code of morals. We shall be able to rid ourselves of many pseudo-moral principles which have hag-ridden us for two hundred years, by which we exalted some of the most distasteful of human qualities into the

position of the highest virtues. We shall be able to afford to dare to assess the money-motive at its true value (JMK 1972, vol. IX, p. 329).

He goes on to deplore the love of money for its own sake, rather than as a means to ‘the enjoyment and realities of life’, calling greed ‘a somewhat disgusting morbidity, one of those semi-criminal, semi-pathological propensities which one hands over with a shudder to the specialists in mental disease’ (Ibid.). Keynes was deeply suspicious of wealth accumulation and money-making as human motivations and saw both as the means to an end – which was living a ‘civilised’ life. Peacock finds that Keynes thought of ‘equality of contentment’ as the opportunity for ‘all to enjoy the cultural benefits’ that he had enjoyed by virtue of his social position (1993, p. 23). Rather than interpreting this as Keynes’s prescription for living the good life, Peacock understands Keynes’s position to be the provision of intellectual and cultural experiences which ‘everyone will perceive as in his own interest to embrace’ (Ibid., p. 27). Also following moral and aesthetic lines of interpretation, Craufurd Goodwin has argued that Keynes’s policy recommendations, both economic and cultural, were intended to make possible the conditions for larger numbers of people to experience the ‘imaginative life’, as theorized by Keynes’s friend Roger Fry in the 1909 ‘An Essay in Aesthetics’. Indeed, he argues that Fry’s theory of imaginative life provided a central philosophy for the post-Cambridge Bloomsburys, influencing their policy, literary, and aesthetic works (see Goodwin 2006, pp. 217-236).

These brief remarks about Keynes’s conception of the state and the role of government provide context for my following discussion of two characteristics of the policy model associated with Keynesian cultural thinking: the notion of distance from government and the emphasis on professional artistic standards.



## **The Notion of ‘Distance’ from Government**

Two characteristics of the policy model have been examined and contested by analysts and critics, namely, the notion of ‘distance’ from government called ‘arm’s length’ and the emphasis on professional standards and excellence, both associated with Keynesian cultural thinking. In the arts policy literature, the ‘arm’s length principle’ is often characterized as the combination of an autonomous funding agency and peer assessment decision-making processes, with ‘peers’ being individuals who know the artistic field or discipline under review but who are not civil servants (Madden 2006, p. 19).

In his economic policy recommendations, Keynes was an advocate of semi-autonomous non-governmental bodies as early as 1926. Indeed, a central characteristic of the policy model that has been lauded and debated is its explicit attempt to remain outside the political process, thereby excluding politicians from influencing decisions about what kind of art is produced. This method of distancing government from an institution that it created and financed became known in the 1970s as the ‘arm’s length principle’ (Hewison 1995, p. 32; Hutchison 1982, pp. 16-17; Gray 2000, p. 41). Keynes did not, of course, name it ‘arm’s length’, nor did he originate the ‘distancing’ concept. He took a model used to fund academic research and applied it to arts funding. Indeed, this idea of distance relies upon and incorporates two policy preferences that Keynes held: what has been called his ‘corporatist’ approach and his preference for semi-autonomous, non-governmental bodies. Keynes has been described as a ‘corporatist’, meaning a moderate economic liberal who inclines towards large, unelected bodies that usually possess an

internal hierarchy and who exercise control over their respective areas of influence, whether social or economic. He is described as

a strong advocate of both public corporations and large private concerns that were ready to do deals with the government and look beyond shareholder value. From the 1920s to the 1940s, he frequently referred approvingly to the two-thirds or three-quarters of fixed investment which he regarded as already effectively under public control or influence (Brittan 2006, p. 185).

In this preference, too, he is recognized as an early proponent of ‘public-private partnerships’ (Ibid.). This phrase, public-private partnership, can be used to describe the relationship of grants of public funds from semi-autonomous non-governmental bodies to privately-operated cultural organizations. It has been used routinely in the United States to describe the relationship between government-sponsored arts councils and their beneficiary arts organizations.

Keynes had begun to promote the idea of semi-autonomous bodies as early as 1926, writing:

I believe that in many cases the ideal size for the unit of control and organisation lies somewhere between the individual and the modern State. I suggest, therefore, that progress lies in the growth and recognition of semi-autonomous bodies within the State – bodies whose criterion of action within their own field is solely the public good as they understand it, and from whose deliberations motives of private advantage are excluded, though some place it may still be necessary to leave, until the ambit of men’s altruism grows wider, to the separate advantage of particular groups, classes, or faculties – bodies which in the ordinary course of affairs are mainly autonomous within their prescribed limitations, but are subject in the last resort to the sovereignty of the democracy expressed through Parliament (JMK 1972, vol. IX, p. 288).

And in the same essay he argued that government's role was not to undertake actions and activities that were already being done by individuals, 'but to do those things which at present are not done at all' (Ibid., p. 291). Indeed, the semi-autonomous body was a feature of English public life, a recognized means of involving citizens in the work of government. J. S. Mill, commenting in 1873 about Tocqueville's concerns over centralization of authority in democracy, wrote that centralization was not an immediate concern in Britain, 'where nine tenths of the internal business which elsewhere devolves on the government, was transacted by agencies independent of it' (Mill 1981, p. 201)

An immediate and successful example of an arm's length body existed within Keynes's experience. The administrative model for the post-war CEMA<sup>2</sup> that he began to consider by 1943 was the University Grants Committee (Upchurch 2004, p. 213). Keynes had been appointed bursar of King's College, Cambridge, in 1924. With his involvement at both the Treasury and in university administration, he was clearly aware of the workings of the University Grants Committee, established in 1919 after the first world war. There are administrative and ideological parallels between the University Grants Committee and the ACGB. As with cultural organizations, the national government's role in funding universities had evolved from a nineteenth-century practice of ad hoc funding on a limited basis to ancient, independent universities that were supported largely by private donations and endowments. According to Michael Shattock in his study, *The UGC and the Management of British Universities*, a more formal approach to academic research and university funding was adopted in the wake of the first world war, as policymakers recognized the importance of academic research to the war effort. The

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<sup>2</sup>CEMA (the Council for the Encouragement of Music and the Arts) was the war-time precursor to the ACGB. Keynes was its last chairman.

Committee was ‘primarily a mechanism for resource allocation, for the division of a given sum among a group of needy institutional claimants,’ and it was understood to be a ‘buffer’ between the government and the universities to maintain their autonomy (Shattock 1994, p. 1). It apportioned government funding in block grants to the universities, which were responsible for administration of the funds. The government’s policy towards university research at the time was that it should not seek to control either applied or pure research (Ibid., p. 36).

The original UGC consisted of a part-time chairman and ten senior academics not in the active service of any of the institutions which might be awarded grants. Its members were appointed by the Chancellor of the Exchequer, in consultation with the President of the Board of Education and the Secretary of State for Scotland. A full-time secretary – a civil servant – worked for the UGC, which reported to the Treasury, as the ACGB was to do. The UGC was placed under the Treasury, not the Board of Education, because the Board lacked jurisdictional authority in Scotland and Ireland and could not allocate funds there.

Critics and analysts have contested the effectiveness of the notion of ‘arm’s-length’. Its connection with ideas of ‘artistic freedom’ has a rhetorical and ideological resonance that derives from ideas about ‘intellectual freedom’, but in practice, the ‘arts council’ is never completely independent (see Gray 2000, pp. 42-43, for a discussion). In a 2006 review of policy literature, Christopher Madden concluded:

Arm’s length funding of the arts might therefore be more accurately described as an *ideal*, rather than a *principle*. In the arts policy literature, references to the “arm’s length principle” could be taken as shorthand for the ethos that arts funding should be subject to the minimal interference from governments as is practicable (p. 19, italics in the original).

Looking beyond the cultural policy literature into an analysis of government's use of semi-autonomous non-governmental bodies, Madden finds that scholars have identified these objectives for their use: to obtain specialist or expert knowledge otherwise not available; to involve an interest group, or 'others who might be deterred by the aggressive world of local politics'; and 'to protect public administration from the cut and thrust of day-to-day politics' (2006, p. 21). These objectives would seem to describe the concerns of intellectuals, arts advocates, and arts administrators who wished to be seen as independent authorities.

In the next section, I will examine a second characteristic of the model, the emphasis on professional standards and 'excellence' as determined by peer review panels.

### **Professional Standards and 'Excellence'**

Keynes's tenure as chairman of CEMA is also associated with a policy change away from financial support and encouragement of amateur creative expression in favor of art produced by professionals reflecting international quality standards (see Hutchison 1982, p. 45, as an example). In this section, I will argue that this policy shift reflects his underlying assumptions about who would administer the policy and who would benefit from the funding. This policy preference very intentionally favors 'the exceptional and the aspiring' and reflects his belief that an intellectual elite should demonstrate ways of living and organizing social conditions that accomplished human progress without diminishing individual liberty (Goodwin 2006, p. 231).

Keynes was a descendant of the 'intellectual aristocracy', so-named by historian Noel Annan, a 'class' of nineteenth-century reformers who were middle-class, educated,

and often followers of Mill (see Annan, 1955, for their genealogies). Keynes envisioned that the like-minded descendants of this class would administer the arts funding system. Two points in the extended passage quoted above about semi-autonomous bodies stand out in a consideration of the ACGB: ‘From whose deliberations motives of private advantage are excluded, though some place it may still be necessary to leave . . . to the separate advantage of particular groups, classes, or faculties’. He meant that those individuals involved in decision-making in these bodies should operate in the larger interests of society and not benefit personally and financially from their deliberations and decisions. However, he admitted that ‘particular classes’ would need to be involved until the numbers of such individuals increased. Thus his system of semi-autonomous bodies was predicated on the participation of particular classes of men with specific expertise and moral and ideological leanings like his own. Scholars and critics have not missed this distinction, pointing out that Keynes assumed ‘the existence of a well-trained bureaucracy and the exercise of political self-restraint’ (Brittan 2006, p. 182). Raymond Williams famously found in his assessment of the Arts Council that,

The British State has been able to delegate some of its official functions to a whole complex of semi-official or nominally independent bodies because it has been able to rely on an unusually compact and organic ruling class

that is ‘reliable and consensual’ (Williams 1979, pp. 165-166). By ruling class, Williams includes the British upper middle class and the professional civil servants from that class. A 1998 examination of the ACGB membership since its founding revealed a shared social background among mostly male, middle-aged members who were highly educated, often graduates of Oxford or Cambridge, heavily professional, and very frequently had a

relationship with the arts before their appointment to the Arts Council (Gray 1998; also see Gray 2000, pp. 127-129). The study's author, Clive Gray, concluded:

The idea that there was a self-replicating oligarchy within the world of the arts was reinforced by the socially closed world that the membership of the AC was drawn from and the fact that overlapping membership with other arts organisations cemented the values and views that the membership held (Gray 1998, p. 11).

Who would benefit from the funding? First and foremost, professional artists would benefit, ensuring the possibility of their future employment. An obvious reading here is that Keynes included artists in his post-war push for full employment by creating a policy mechanism for state intervention that sheltered qualified artists from the market economy. Keynes hoped that greater provision of professional arts would also improve public receptivity to the arts in general, thereby enhancing artists' potential for future employment. Using some of his most soaring rhetoric, he claimed in the BBC address that the ACGB's purpose was to create the conditions for a 'civilised life'. He ended the address with this statement:

The purpose of the Arts Council of Great Britain is to create an environment to breed a spirit, to cultivate an opinion, to offer a stimulus to such purpose that the artist and the public can each sustain and live on the other in that union which has occasionally existed in the past at the great ages of a communal civilised life (JMK 1982, vol. XXVIII, p. 372).

What did he mean by 'civilised'? It is likely that he meant more than 'civilization' as an ordered way of life, or as a general and universal process of improving social conditions. Dating from the late eighteenth century, this second sense of the word 'is a specific combination of the ideas of a process and an achieved condition. It has behind it

the general spirit of the Enlightenment, with its emphasis on secular and progressive human self-development' (Williams 1983b, p. 58). Keynes's Bloomsbury friend, the art critic Clive Bell, wrote in his 1928 polemic titled *Civilization*, that civilized societies, by his definition, valued reason, tolerance, knowledge, and art, above wealth, power, and commerce. Like Keynes, he made acceptance of art a condition of civility, stating that 'in civilized ages there will be a sensitive and cultivated public, in sympathy with the artist, and disposed to allow him to know best what is best for himself' (Bell 1947, p. 53). Typically, Keynes did not specify how the ACGB would achieve this 'spirit'; his implication is that the provision of more art will cultivate such a spirit, as he implied that the BBC's broadcasts of orchestral concerts encouraged an interest in classical music. That some members of the public might become more receptive to the arts through greater exposure implied an assumption of some individuals' interest in self-enrichment and education. Bell wrote in *Civilization* that civility was not a 'natural' state, it was an 'artificial' condition, characterized in the individual by self-consciousness and the critical spirit which are the 'result of education' (1947, p. 24). As a means to knowledge and self-development, Bell argued that a civilized person valued education 'above most things' but not a technical education. The civilized person valued a liberal education for its knowledge 'to understand life and enjoy its finer pleasures' (Ibid., p. 109). In this thinking, Bell and Keynes reflect a complex history of ideas that regards the arts as having beneficial effects upon individuals and societies (see Belfiore and Bennett, especially chapters 3, 5 and 6).



From his parents, Keynes inherited an expectation of public service linked to his social position and advanced education. Skidelsky describes his attitude of privilege and duty:

By civilisation he meant an endowed aristocracy of learning and the arts, with a strong sense of duty. He was never an egalitarian. Even his orthodox belief in equality of opportunity was tempered by the thought that ‘certain small [family] “connections” have produced eminent characters out of all proportion to their size’. Keynes rarely used the word, but he thought of himself as part of the ‘clerisy’ – a secular priesthood, setting standards of value and behaviour, practising the arts of leadership and mutual accommodation (1992, p. 8).

Indeed, the people whom Keynes had in mind as the direct beneficiaries of the new Arts Council were the talented and the aspiring. His attitude can be interpreted as class-based prejudice or patrician disdain, but it is rooted in his values as a Liberal, and reveals his interest in providing access to those who were sufficiently eager to create or enjoy arts experience. His interest was revealed in a speech titled ‘Liberalism and Labour’ made in 1926 in which he discusses the political philosophy of the two parties:

The political problem of mankind is to combine three things: economic efficiency, social justice, and individual liberty. The first needs criticism, precaution, and technical knowledge; the second, an unselfish and enthusiastic spirit, which loves the ordinary man; the third, tolerance, breadth, appreciation of the excellencies of variety and independence, which prefers, above everything, to give unhindered opportunity to the exceptional and the aspiring. The second ingredient is the best possession of the great party of the proletariat. But the first and third require the qualities of a party which, by its traditions and ancient sympathies, has been the home of economic individualism and social liberty (JMK 1972, vol. IX, p. 311).

The crucial phrase is ‘which prefers, above everything, to give unhindered opportunity to the exceptional and aspiring’, meaning the talented and ambitious. Keynes was interested in encouraging those he considered the talented in society – both artists and their patrons<sup>3</sup> -- by providing stable public funding for the arts. Professional artists were able to produce their work and, by so doing, provided opportunities to ambitious individuals to be patrons and experience the arts as self-enrichment, in Bloomsbury's thinking.

The impact of this thinking on the policy is clear: this interpretation shifts our understanding of Keynes’s well-known and well-documented preference for funding the work of professional artists over amateurs and his emphasis on improving ‘standards.’ He sought to encourage and support those whom he considered the most talented by providing some shelter from the market with guarantees, grants, and loans. In this view, amateur artists did not deserve public subsidy for their efforts; it was those who had professional training and who were considered talented who merited public funds. His attention to the metropolitan, professional institutions was the policy response that followed this line of thinking (Gray 2000, p. 101). Among the inconsistencies for which he has been criticized was a bias towards London and the rebuilding of major institutions in the metropolis, rather than a community-based, decentralized approach to the provision of buildings, which he seemed to promise in the BBC address that announced the ACGB's founding. The criticism goes that despite his rhetoric, he made sure that funding priorities favored Covent Garden Opera and ballet in London, rather than community arts centres throughout the country (see Hutchison 1982, pp. 63-66).

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<sup>3</sup> By ‘patron’ here, I mean the person who attends and participates as a customer, who patronizes the arts.

Keynes reflected a consensus among those influencing cultural policy at mid-century, as a brief review of CEMA correspondence shows. B. Ifor Evans of The British Council, recently appointed to CEMA, wrote to him soon after Keynes was appointed chairman:

I think that the Pilgrim Trust accomplished a very adventurous task in setting this thing in motion, but their contacts are so much with Social Service and so little with the Arts that I had been anxious whether we could get adequate standards if that type of machinery existed.

This is one of the many reasons why I have valued so very much your acceptance of the Chairmanship. Actually the guidance has come very largely through the Secretary, Miss Glasgow. . . <sup>4</sup>

Keynes wrote in reply:

I may tell you privately that I had exactly the same reserves about the policy of C.E.M.A. which you set out. I was worried lest what one may call the welfare side was to be developed at the expense of the artistic side and of standards generally. Before agreeing to act as Chairman, I expressed this view very clearly to the President of the Board of Education. He told me that I need have no anxiety on that head, that he shared this view himself and that, with the disappearance of the Pilgrim Trust from the management (combined with Miss Glasgow's bias in the right direction) all ought to be well on this score.<sup>5</sup>

Implied in my remarks and those cited above by Gray is the exclusivity created by this policy preference. In Gray's analysis, the emphasis on professional standards and excellence, concepts that are open to redefinition over time as political actors change,

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<sup>4</sup> Evans, Ifor B. Letter to John Maynard Keynes, 23 January 1942. Keynes Papers, King's College archive, University of Cambridge.

<sup>5</sup> Letter to B. Ifor Evans, The British Council. 28 January 1942. Keynes Papers, King's College archive, University of Cambridge.

allowed power to be held and exercised by an oligarchy operating in the Arts Council and its regional offices. The result is a 'flawed issue network' giving the appearance of 'relatively pluralist opportunities for participation while masking the reality of a fairly closed field of operation' (Gray 2000, p. 104). Many analysts and commentators over the past fifty years have pointed out the limitations of this system on access and equity and pushed for reform. Examining these arguments and the reforms is beyond the scope of this article; however, among his writings and analysis that have influenced thinking about these issues, Richard Hoggart offered a nuanced and influential critique in the mid-1970s of both the ACGB and its critics that continues to offer insights today (see Hoggart 1982, pp. 137-160).

## **Conclusions**

In a 2006 collection of essays in this journal examining the influence of intellectuals on cultural policy, Oliver Bennett offered these questions: 'The coupling of "intellectuals" and "cultural policy" assumes that there is actually a relationship, but this needs to be established. If it can be established, what is its nature? Is it a relationship circumscribed by its time or has it left a legacy? If the latter, what is the nature of the legacy? Is it explicit or have the ideas persisted only in unstated institutional assumptions? How can such legacies be explained?' (2006, p. 117).

This article is one response to these questions, a response about John Maynard Keynes and the assumptions underlying the arms's length model. I have described Keynes's conception of the state and his preference for semi-public and semi-autonomous bodies working with the state, which are rooted in English civic thought and practice. I

have examined two characteristics of the arm's length model, the notion of 'distance' from government and the emphasis on professional standards through peer review. Scholars have analyzed Keynes's moral and ethical positions behind his policy recommendations, citing 'equality of contentment' for all citizens through economic stabilization as the basis of policies advocating government intervention in market economies.

Concerning the emphasis on professional standards and peer review, I argued that, in line with his Liberal beliefs, Keynes intended for the 'exceptional and aspiring' to benefit from greater arts provision, which included professional artists and those individuals with the desire and the means to participate as audience. He assumed that the system would be administered by people who shared his social background and ideas. It led logically to funding preferences for institutions and arts forms associated with the established standards of high culture located in the metropolitan center, London.

The policy model itself was not new – it was adapted from a similar model that existed for higher education that was intended to remove detailed funding decisions from direct political influence. Both policies relied on the participation of a group of informed individuals who were expected to act in the public's interest, not out of self-interest. That the model still exists in contemporary policy – although devolved and with funding criteria broadened – testifies to the longevity of the assumptions and ideas discussed in this article. Indeed, in this context some of the ideas expressed in the McMaster Report published in 2008 by the Department of Culture, Media and Sport can be characterized as 'Keynes recycled'. The McMaster Report reads like a manifesto for government support of professional arts and funding decisions based on 'excellence'.

In conclusion, while cultural policies can be historically specific and reflect the concerns of a minority, a considered analysis will reveal a society's longer traditions of political philosophy and economic concerns.

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