

# **Corporate Cultural Donating in France**

## **A Case Study of Private Cultural Philanthropy in the French Banking Sector between 2007-2014**

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June 8, 2016

Rotterdam, Netherlands

*Word count: 17516*

## **ACKNOWLEDGEMENTS**

I would like to thank my supervisor, Professor Filip Vermeulen, for his support and positivity, to my interviewees for giving me their time and professional knowledge and finally, I thank Dr. Dániel Szabó for his help throughout my whole education.

## **ABSTRACT**

France has been known as a historical patron of the arts and culture. The leading role of the French public sector in terms of cultural patronage ended by the introduction of the Aillagon Law in 2003. Since thenm corporate donators came to the forefront: fiscal incentives in order to imbalance public cuts have resulted in a growing philanthropic activity from the part of enterprises. French banks, known as traditional supporters of culture and the arts have recognized the many long-term benefits investing in modern corporate social and cultural responsibility strategies can offer. As a consequence, we can see a relatively stable private financing of culture despite the financial crisis and enterprises are discovering through patronage the connection between social well-being and corporate development.

## **KEYWORDS**

patronage, donating, corporate giving, gift economy, corporate social responsibility, corporate cultural responsibility, corporate philanthropy, fiscal incentives, French Fiscal Code, banking sector in France, financial crisis

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## CHAPTER 1

### 1.1. Introduction

Being “patron of the arts” originally means the support that wealthy social classes provided to painters and musicians for instance and the original Latin word “patronus” refers to an individual giving benefits to artists (Kent et al., 1987). From the point of view of donators, what kind of advantages do they have from this seemingly exclusively altruistic behavior? Since, the era of Louis XIV if not earlier, France has been known throughout the world as a state putting a lot of emphasis on financing the arts and culture. However, in the past 20 years approximately, we can notice a strong decreasing tendency in public financing of the cultural sector. From the 2003, the year in which France introduced the most important law regarding tax deductions for private (corporate and individual) giving, corporate donations are increasing. Obviously, the 2007/8 financial crash and the following crisis have only aggravated the situation regarding public donating to culture. Since the economic recession, due to the deficit of public funding concerning among others the cultural sector, there has been put more and more focus on the private sector regarded as an alternative solution to the lack of governmental support.

According to Throsby (2001), we can already notice since the 80’s a shift from state involvement to an increased influence of private sponsorship and patronage in France. During the 80’s and the 90’s, market liberalization was a general trend in European countries which manifested in decreasing public budgets. At the same time, the acknowledgment and professionalization of patronage in the last 30 years have led to the birth of modern CSR (corporate social responsibility) strategies within the private sector (Admical, 2015). Private companies started to see more and more potential in alternative ways of connecting and communicating with stakeholders and value creation through CSR has become the main intention of many companies. Consequently, apart from already known capitalist tools for business development, the concept of gift economy came to the forefront providing many long-term economic and non-economic benefits to not only the receiving non-profit organizations, but to the donator companies as well.

This phenomenon inspired the present study to have a closer look at the actual reasons for which companies are willing to financially contribute to the development of the cultural sector. CSR is nowadays, a common strategic tool of enterprises regardless the size of their business. Besides the favorable environment set by the French government, what other economic and non-economic motivations lie behind corporate philanthropy? How do current tendencies in corporate social and cultural philanthropy reflect the introduction of the 2003 Aillagon Law? To what extent do global economic fluctuations influence the behavior of French corporate donors? What is the situation in France while around Europe both public and private donations are decreasing as a response to financial difficulties (Čopič, 2011)?

Beside these questions this thesis raises, we still have to narrow down the topic in order to get relevant answers regarding the objectives of corporate donors. Therefore, investigating the case of private French banks gives us the possibility to have insights into the altruistic behavior of financial institutions. Finally, we also have to define what the benefits of such commitments are and why banks in specific choose to support culture. While trying to find answers to all these questions coming up, I hope to get at the end a clear picture on the effects of non-profit output from the part of enterprises on the giving organization itself and on the overall French society as well.

## **1.2. Research Question and the Relevancy of the Research**

The research primarily focuses on the following research question:

Based on current trends in France, what are the main motivations for corporate giving among private banks from the 2007/8 financial crisis until today?

This thesis aims to depart from the point of view of donating banks and examine the different financial and social returns of patronage. Examining the role of culture in CSR strategies today in France serves an important piece to better understand the economic weight of culture and the potential of the private sector as a financier of culture and the arts. Hence, we can have a broader understanding on the development of the cultural sector and the role of private companies in it. It is especially relevant in light of the recent financial crisis during which public subsidies of culture have dropped radically. In France, private patronage has had a growing economic importance with altogether 159 000 enterprises involved in corporate

giving bringing in €2.8 milliard to non-profit organizations in 2014 (National Bureau of French Administration, 2015).

Generally speaking, donations can be individual, corporate or channeled through grant giving bodies (Čopič et al., 2011) and in the present thesis, I aim to focus specifically on corporate giving to the cultural sector. The time period of the study is set to be between the recent financial crisis (2007/8) and 2014; the year which my research has showed to be the last one with available data on the topic. Without any doubt, it would be impossible to conduct a research on the whole private sector and for this reason I focus on private French banks. Moreover, the fact that banks are known as long-time supporters of art and culture and the huge financial contributions they provide make them to be a relevant focus group.

The clearest way to define patronage (*mécénat*) is probably by distinguishing it from other activities similar in character, but still different at some point from donating. The principal of donating can be described as the absence of counterparty which is not present in the case of sponsoring for instance (French National Assembly, 2015). Corporate donating is hence, an activity manifesting in financial (monetary) in-kind or competence donations for the general interest without direct economic return. To investigate on the motives behind corporate donation, I depart from the many fiscal incentives the government provides. Therefore, separating the different terms (patronage and sponsoring) according to their juridical interpretation is elementary. Relying on the fiscal definition of the concepts examined is essential from the point of view of the main focus of the thesis about the fiscal incentives for corporate donating for culture. For the juridical conceptualization of corporate donating, I use the definition of the French National Assembly and French General Tax Code.

### **1.3. Methodology**

First of all, especially due to the fact that this thesis touches upon France, it is necessary to clarify the keywords of the research highlighted in the abstract. Once the concepts are defined in the above-mentioned way, I aim to move forward from a general overview to the core question of the thesis. Therefore, I find it important to talk about the correlation between public fiscal incentives for corporate donations in general and then to see the changes in current (from the 2007/8 financial crisis until 2014) tendencies in the private sector.

Examining global changes in French corporate giving can be good bases of the specific study of the motivations for corporate giving presented in the banking sector. Through finding the objectives of private (corporate) donating, the research aims to define how CSR can contribute to the economic, social and cultural development of companies via the support of social and cultural development.

In order to find and analyze data that can provide well-established answers to the research question, a research based on a mixed method is going to be conducted. The main reason behind the choice of the method is the fact that combining quantitative with qualitative research design gives us two types of data we need and hence two different aspects. From the one hand, the economic reasons behind private cultural donating will be analyzed by collecting data applying a quantitative research method. From the other hand, for information and data about the actual behavior of French banks regarding corporate giving, qualitative research will be used.

The methodology of the thesis can be divided into three parts. Firstly, conceptualization (Chapter 2) of the thesis serves as a departing point for the analysis of information since it is essential to define the units measured before actually talking about the means of measurement. Thus, the main concepts measured in the study are provided based on the terminology used in academic sources. After, the thesis moves forward to the collection and analysis of quantitative data gained from the literature. Finally, interviews give an important part of the research focusing on the banking sector and are going to be analyzed accordingly.

The part of the study effectuated by means of quantitative research focuses on data taken from statistical studies about tendencies of corporate giving in the time period set. Sources of information gathered will be provided by the literature and can consequently be considered as secondary data. Information available in academic studies and newspaper provides the subject with a measurement of the quantitative research. Here, I will focus especially on governmental sources and information publicly available by the official website of Admical, touched upon more specifically in *Literature* (Chapter 2.1.), which is known as the most relevant data source on corporate patronage in France.



The information collected by means of quantitative research serves to establish a connection between governmental issues in funding, public enhancement of corporate donating, economic as well as non-economic reasons being the independent variables and corporate patronage as the dependent variable of the study. Then, the secondary data collected will lead us to associations between the variables which can bring us closer to the research question. Data analyzed in the quantitative part of the study will be measured only once and additional tables and figures provided by the literature will be also presented in this thesis.

Obviously, for measuring the economic reasons and the importance of culture compared to other subjects of corporate patronage, objective answers can only be given by conducting through quantitative research. Nevertheless, further non-measurable aspects of the topic need to be studied by the effectuation of thorough qualitative research. This part of the research was effectuated by the conduction of one phone interview of approximately 30 minutes and three effectuated in writing, similar to a questionnaire. The interviews were especially important for gathering information and valuating information about the donating behavior of private French banks which stands in the special focus of the research (see Chapter 4.3.).

The interviewees were selected by different criteria. Firstly, I targeted individuals that had been in charge of the CSR and patronage department or the foundation belonging to French cooperative banks, well-known for their donating activity. This way, I managed to get in touch with Crédit Agricole, Banque Populaire and Crédit Foncier as well as the Fondation Pierre Bergé – Yves Saint Laurent representing the private sector in general. Secondly, the availability of the person in charge of course was also a criterion for conducting the interview. Thirdly, during the research I also made an attempt to contact a variety of individuals in charge of philanthropic budgets and strategies in the private sector so that opinions diverge as well in order to have an overall vision on the subject.

The qualitative research offers various subjective views on corporate strategies for cultural donating, on the different approaches of companies regarding the importance of such activity and on the reasons for supporting culture. The point of view of French banks concerning government incentives to the corporate patronage of the arts in France will also be touched upon. Due to the lack of data publicly available about details of French banks supporting culture, the interviews can potentially complete the information available in the literature and serve as relevant primary source data.

#### **1.4. Expected Outcomes and Difficulties**

The research departs from the following three main assumptions based on the literature and aims to find relevant connections to the hypothesis below studying the case of French private banks in the indicated time period:

- Public cuts accelerated by the crisis resulted in government incentives for private philanthropy;
- Donations considered to be a gift have some return benefits for the donators;
- Culture is regarded as an important economic sector in France independently from the financial crisis.

One of the major challenges of this thesis is the lack of measurable quantitative data about the actual spending of companies on the cultural sector. Although there is an abundance of literature on private patronage in general, we know less about the behavior of banks in this manner. Hence, interviews will provide additional details about corporate patronage in the case of French commercial banks. Another weak point is the separation of cultural patronage in specific from other kind of donations the reason for which is going to be developed in Chapter 3.2. Finally, I hope that by combining quantitative data and qualitative data applied to the case of France, I can provide an overview on the main reasons for which companies are willing to give and thus to draw the attention to the many potentials corporate donating provides.

## CHAPTER 2

### 2.1. Literature Review

Especially since the 2007-2008 financial crisis, more and more studies are being published about the growing importance of private (corporate and individual) donating for the cultural sector. The reasons given for the growing attention towards the topic are varying from economic to social point of views. The present literature review puts into focus the academic debates about public incentives for private cultural giving as well as the possible reasons for enterprises to give. Nevertheless, before studying the specific case of France, it is necessary to have a look at the literature in general concerning the main benefits of donation and its effects on companies acting as financial supporters of culture and the arts.

An important part of the literature departs from the problem of the lack of enough public support, for which reason many sees private investments as a certain solution (Martorella, 1996). Other scholars, such as Antal (2007) draw the attention to the fact that corporative financing of culture is although increasing proportionally to public financing, nevertheless, it has become less important in companies' social responsibility agendas. Klammer's *Gift economy* and Vesterlund's *Why do people give?* are core pieces in the theoretical background of the research as well as Walliser's *Le parrainage: sponsoring et mécénat* explaining the concept of gift in the economy as well as other keywords of this thesis from an economic point of view.

Concerning public incentives, I refer mainly to the French General Tax Code and the official website of the French National Assembly as the most important secondary sources about taxation and rules regarding donating. Furthermore, I also have to mention Brière's paper about fiscal incentives (*L'incitation fiscale au mécénat culturel, situation actuelle et propositions d'amélioration*, 2005) which is interesting from our point of view since it draws the attention to the weak points of fiscal legislation concerning patronage in France. When making an attempt to find the key motivations behind corporate giving, I will mainly rely on an article entitled *Quand les banques investissent la vie culturelle, sociale et sportive* written by Bergala (2013), a conference paper by Urrutiaguer, (2014) as well as research published by the European Parliament written by Čopič among other authors (2011).

As for the specific study of French banks, interviews made for the research will have a core role just like the official website of the three banks examined. The lack of abundant literature in the specific case of the banking sector regarding donating makes us to put more emphasis on primary data as well as online sources, for instance Bergala (2013) and Noce (2012). However, from the academic sources, I refer mostly to Fuchs (2006) in terms of the development of a certain hybrid patronage as well as the preferred organizations and cultural sectors banks are willing to support. The concept of sustainability in the long-term non-financial goals of banks will also be touched upon based on his study.

The literature on private cultural patronage in France consists mainly of academic papers, although I have to mention that most of the data available on the topic was written prior to the financial crisis. Therefore, from the last 7-8 years, newspaper articles (*Le Monde*, *Le Figaro*) as well as economic journals for example the *International Journal of Arts Management* give a significant part of the sources of information. The main reason for this selection is that they provide recent documentation on the activity of private enterprises as donators. Articles such as *Sponsorship is Dead! Long Lives Corporate Cultural Responsibility* (Lamprecht, 2015) or *Vive le mécénat!* (Goetz, 2008) give us examples on concrete cases that are not always present in academic papers on the topic tending to have a more global approach.

Articles in *Le Monde* and *Le Figaro* from the period of the financial crisis about cultural patronage and its relation to the crisis are also important sources giving up-to-date news about the field. Furthermore, websites of the actual foundations and enterprises in discussion, especially those having been interviewed are also an important source for this thesis. When talking about issues in the public sector and most importantly, about governmental incentives for the corporate financing of culture, online sources come to the forefront. Here, I refer to governmental organs and studies, economic surveys made by public institutions. Articles released by the French Cultural Ministry, French National Assembly as well as European Parliament and UNESCO papers among others are incorporated to the study.

As for the concept of donating, I depart from the definitions accepted by the European Parliament. The paper published by the institution entitled *Encouraging Private Investment in the Cultural Sector* (Čopič, V. Uzelac, A., Primorac, J., Jelinčić, D. A., Srakar, A., Žuvela, A., 2011) provides an internationally approved definition I wish to rely on as a starting point in the discussion, furthermore, it is also one of the most recent syntheses on the topic. In terms

of differentiating enterprise strategies in patronage and sponsoring, I use among others *Le parrainage: sponsoring et mécénat* (Walliser, 2010), which has also the advantage to be a relatively recent study. The book analyzes the behavior of donator enterprises and it also examines the specific reasons for the growing importance of CSR departing from the idea that companies today have to prove their social legitimacy which is not strictly related to their core activity.

The literature is thematically organized presenting the main arguments of authors without evaluating the sources. The time period set (2007/8 – 2014) gives us a possibility of global overview on the literature, nevertheless, it remains manageable. Due to the broadness of the subject, I suggest dividing the literature on corporate donating to culture in France according to the two major debates. The first issue around which academic discussion turns is about private patronage seen as an alternative financial source for culture beside public support. As for the sources used and the structure of their discussion, a growing number of information is at our disposal about private investment in the arts in France in light of public budget deficits. Secondly, the role of culture in CSR will be discussed based mainly on the above mentioned articles and Admical data.

Although the present thesis does not aim to put into focus public cultural donating, it is unavoidable to talk about the effect of governmental enhancement on the private sector. Here, we have to discuss most importantly *L'incitation fiscale au mécénat culturel, situation actuelle et propositions d'amélioration* by Brière (2005). On the actual reasons for donating to the cultural field, economic data will be used released by governmental organization, the French Ministry of Culture for instance and websites such as Admical, a major database of reports on private cultural patronage in France. Especially since the financial crisis, the economic impact and the contribution of companies to culture from the one hand and the financial as well as social return for the enterprise has been put into the focus.

As Stenou states in *Le mécénat bancaire: entre visée communicationnelle et objectifs artistiques* (2008), even though France has a long historical tradition in public patronage, its support for the arts by itself has showed to be insufficient. The liberal economic system of the country renders possible alternative ways of financing the cultural sector beside national support. Patronage in France is highly developed and literature is easily accessible about the topic. Nevertheless, corporate financing can be considered as a relatively new form of

investment in the arts and calls us to study the complex reasons behind the shift of emphasis from national to private donating.

Following the thought of line concerning the connection between public funding and corporate giving, Sauvanet (1999) in her main argument points out that donations constitute a complement, but not a substitute to the funds allocated by the public sector that are “always scarce in times of budgetary restraint” (Sauvanet, 1999, p. 45.). Péter Inkei’s vision (2010) can be contrasted to Sauvanet’s point of view according to which private businesses should fill the financial gaps the lack of public resources has caused. He argues that corporate philanthropy is essentially needed for the steady functioning of culture and the author goes further in the analysis of economic reasons as well as non-economic reasons for private investments in culture by studying the complexity of motives behind philanthropy and the blurred borders between the different reasons. The present thesis supports the idea that in the case of cultural philanthropy business objectives and morally driven motives cannot be separated, but there are a lot of intersections between the two sides of arguments. Hidden agendas and second intentions concerning philanthropy will also be discussed based on Inkei’s thoughts.

Furthermore, debates are being made concerning the role and place of CCR (corporate cultural responsibility) in the economy. According to Admical, the most important database on cultural patronage and corporate philanthropy in France, the philanthropic budget of enterprises, especially that of small and middle-sized companies involved in cultural donating is decreasing. The main reason for it according to this argument is the financial insecurity caused by the crisis and as also stated by Combis-Schlumberger (2011), the attention of enterprises has turned toward sport, health and other social issues as a consequence (Admical, 2008).

Having studied the shift from public donating to private donating at the first place and its economic reasons as well as non-economic reasons at a second, we have to narrow down the literature and examine the subject concerning the situation of CCR in France. Corporate cultural responsibility is mainly discussed from two different aspects departing from data provided by Admical. Firstly, the different changes in the sector and their relation to the global economy are touched upon, then, the place of culture in the philanthropy agenda of enterprises is emphasized.

Following the investigation on the topic of private donating of culture and the arts from the financial crisis onwards in France, we arrive to the specific case of CCR in the country. A smaller part of the literature referring to current trends in corporate giving argues that culture has become less important in the agenda of enterprises for several reasons. Inkei for instance (2008) points out that although compared to the public sphere the private sector occupies a bigger and bigger segment of overall donations, in corporate philanthropy programs culture has become a secondary preoccupation. Combis-Schlumberger (2011) claims that there has been more emphasize put on other current social issues, for instance the protection of human rights or education. According to the author, humanitarian projects, especially in the past 10 years have surpassed the subject of culture in private investing. One of the consequences of this phenomenon is that the diffusion of values and rendering culture accessible to a greater public is more important for enterprises than the actual artistic creation. As we see, there has not been made any consensus in the literature regarding the role of culture in CSR, nevertheless the different arguments can help us to understand the context of corporate financing of culture.

Having examined the literature from the side of public incentive based on governmental sources as mentioned above, we cannot omit to see what has been written about the reasons from the point of view of private investors to finance culture. Since the thesis only takes into consideration the perspective of private companies, banks in specific, it does not discuss the effects of corporate donations on the cultural sector itself. Tax benefits are clearly explained and references to French law can be found on official websites of the French Ministry of Culture and National Assembly among others. Considering further economic benefits deriving from monetary donations for companies, the literature also points out that many economic benefits, such as reductions in corporate tax enhance cultural charity (Fuchs, 2006; Goetz, 2008). Another part of economic studies emphasize the non-economic benefits and claim that they are the major motivation for private donating in terms of image building and public relations publicity (Vesterlund, 2006).

As for the economic and non-economic reasons, Combis-Schlumberger (2011) argues that the symbolic significance of such acts is more important than the actual economic effects and benefits for the company itself. Another important point with which the paper contributes to the discussion is the analysis of the motives from the side of private investors by differentiating immediate and long-term economic benefits of cultural patronage and

sponsoring. Having read Inkei's analysis, we still have the unanswered question of what is the best way to enhance private patronage of cultural activities. Although the author suggests focusing on the economic demands of donors and sponsors that the company wishes to get from the act, we still cannot say based on the literature discussed that there would be one right solution.

Another aspect of the analysis is about the blurred borders between CCR and other branches of donating (Rectanus, 2002). When talking about the changes in the method of cultural patronage, newspapers (*Le Figaro*, *Le Monde*) more emphasis is put on the presence of financing the arts in corporate agendas. Today, companies are willing to harmonize their corporate interest and social responsibility by supporting social issues and in this way they are entering global social, cultural and political spheres (Noce, 2012). Consequently, art and culture cannot be separated from other problems. Undoubtedly, social issues have been put to the forefront in the agenda of many multinationals, banks and other companies, nevertheless it is debatable to what extent they focus on culture within CSR.

In his paper entitled *Privatising Culture: Corporate Art Intervention Since the 1980s*, Wu brings into the discussion another argument contradicting to the general vision on corporate cultural donating according to which culture would be less dominant in corporate philanthropy programs. According to this point of view, corporations are more and more present in the marketplace of culture and the arts which is still one of the major domains companies donate to. The main reason for this would be the non-economic benefits the relationship brings to the company from networking, publicity, to corporate image building and public recognition. (Chin-Tao Wu, 2002).

Rectanus (2002) agrees with the opinion developed above claiming that corporate cultural responsibility has indeed become more relevant due to companies becoming aware in the use culture as a tool for achieving their goals. According to the thesis, since culture cannot be separated from the social and political sphere as Rectanus states, therefore we can say that the indirect private (corporate and individual) support for this branch of the economy is growing or is at least stagnant. Stéphan Fuchs, *Le mécénat d'entreprise dans le secteur de l'économie sociale: une analyse des pratiques des banques coopératives* (2006) is also an important source from our point of view. As for the actual tendencies, she argues that today, sustainable development is the key factor apart from the economic benefits for corporations to support



culture. It has a double vision at the part of the supporters and their targets and it also helps us to understand the different goals and reasons of private cultural donating taking into consideration economic, communicational and human factors as well. Fuschs' study is a clear and easy-to-follow explanation of the different reasons as well as consequences of banks donating to culture, music, plastic arts, and museums among others. The paper is also relevant since it provides a source of information for the biggest French cooperative and commercial banks about their concrete philanthropic activity.

As we have seen, there has not been given a consensus about the question of where we are at corporate donating to culture after the financial crisis. As for further research, since CCR is a relatively new concept, corporate cultural donating leaves us the space to investigate not only the reasons for corporate giving, but for the complex relationship between donors, the government and receiving organizations especially in France where patronage has a long tradition. CCR, being a new form of supporting cultural and artistic creation is a field definitely worth investigating in order to understand the complex political, social and economic linkage between public sector, private investors and culture.

## **2.2. Conceptualization**

### *2.2.1. Different Types of Corporate Financing of Culture*

One of the main challenges of the thesis regards the correct interpretation of concepts since often in French law one term can refer to a different thing translated to another language. In order to avoid ambiguity, when differentiating terms, I refer to the French general Tax Code as the basis of all information. The two main concepts that I find important to compare due to the different objectives behind the act, economic and non-economic benefits as well as fiscal interpretations are corporate cultural patronage used as a synonym of donating in the present thesis and sponsorship. I believe that these two cases are the best example to demonstrate the difference between a philanthropic action and a business action in the private sector, although both can have the result of contributions to cultural-social well-being.

I would like to mention that French law also makes a slight difference between donations called *mécénat*, sponsoring and *parrainage*. This latter term is treated fiscally the same way as sponsoring, nevertheless, according to the French Fiscal Code *parrainage* can be

considered as philanthropy while sponsoring is not at all. Since the English language does not make any difference between the terms *mécénat* and *parrainage* considering them both donating and there is no difference regarding fiscal incentives neither, I aim to examine corporate sponsoring and donating in detail (French General Tax Code).

In order to understand the motivations behind corporate cultural philanthropy, we have to first make a difference between different types of private financing of culture. I aim to focus on two different categories of private financing according to the motives of the founder or investor. Direct capital investments are made for economic profit, for example sponsorship brings profit and brand recognition for sponsors, while in the case of donating or patronage; we find many non-economic values driving the funding of culture (Čopič et al., 2011). Although the terms donating and patronage referring to the French term *mécénat* and sponsoring cover very similar activities, their juridical differentiation is unavoidable in order to understand the basic difference between them in economic and fiscal terms in France (French National Assembly). By putting into parallel corporate donating with sponsoring, we can have a broader view on the nature and divergent objectives of the two actions.

### 2.2.2. Donating

Focusing on monetary donations in the private sector to cultural organizations, although it can take other forms from in-kinds to the donation of skills, the first observation is that philanthropy is a financial support in this case without any direct commercial gains. According to the definition in the French fiscal code, the fiscal instruction of the January 6, 1989 referring to the economic and financial terminology, we talk about donation if the support goes for an organization of general interest without any direct capital benefits (French General Tax Code). Based on this definition, I claim that there are three main pillars which characterize donating in general. Firstly, there must be a gift (donation), the absence of counterparty and the general interest in favor of which the action is supposed to take place.

As for tax advantages, the main difference between donating and sponsoring is that this latter is considered to be a commercial activity, therefore is subject of value added tax, while companies benefit from various tax reliefs in the case of donating (see Chapter 3) (Connecting-sponsors, 2011). According to the French General Tax Code, in some cases, sponsors can also deduce a certain amount of the sponsoring expenses. However, these tax

advantages are reduced to commercial tax only if sponsoring associations or companies act on behalf of a philanthropic organization or event - educational, scientific and humanitarian, for diffusion of culture or for the protection of the environment (French General Tax Code).

### 2.2.3. Sponsoring

Direct private investments in culture are capital investments aiming to make a monetary or other kind of profit, for instance more publicity for the sponsoring company. Therefore, sponsorship, this thesis assumes, cannot be considered as a philanthropic action, since just like in the case of buying an artwork, which is a direct investment in culture, a business contract is signed. Furthermore, sponsors have several gains from the relationship from increased visibility to monetary profit, thus, sponsoring can be distinguished from donating by a direct benefit in the case of the former. Furthermore, sponsorship is also different from donating by being a financial or in-kind support to an organization, group, institution or event in return for commercial access associated with the sponsored organization (Martorella, 1996).

A sponsorship relationship is thus a business relationship and unlike donating, is based on business proposal and contract between parties having mutual rights, obligations and benefits. At the center of a sponsorship strategy we find the aim to build a connection with the target audience through the support of an organization. Being a business activity, sponsoring gives the possibility to network, involve stakeholders and advertise due to its public character. Apart from the financial gains, generally directed by the marketing sector of a company, this kind of activity has also some non-economic advantages. Thus, sponsorship is highly public and is part of a company's marketing, advertising and communication strategy. Most importantly, as it has been discussed, connecting to a cause considered to be relevant to support for the company gives the basis of the motivation in the case of donating, meanwhile sponsorship does not have to be necessarily cause-related (Martorella, 1996).

### 2.2.4. Corporate Social Responsibility (CSR) and Corporate Cultural Responsibility (CCR)

The relatively new term of corporate social responsibility appearing in the '60s defines, as McWilliams says in the Wiley Encyclopedia of Management "...actions of firms that contribute to social welfare, beyond what is required for profit maximization" (McWilliams,

2000, p. 122.). Corporate social responsibility is thus the manifestation of a certain sense of responsibility toward a social goal the company feels is important. What we can deduce from these definitions is that CSR activity goes beyond required business activities by regulations that a company wishes to complete and serve the broader community by contributing to the well-being of the society. As Čopič states (2011), CSR do not aim to gain an immediate profit, but promotes a positive change in the environment.

Corporate cultural responsibility is a term referring to the private (corporate) support of cultural industries and the arts and just like CSR, CCR is gaining more and more popularity around the world. CCR functions in the framework of CSR and uses material resources, services or expertise as a partnership-based investment in arts (artists, performance groups, cultural institutions, cultural projects, cultural enterprises). Especially in France, we have seen that culture is considered as an important economic engine. Moreover, with the arrival of the financial crisis, the trust generating character of culture has also come to the forefront. As a consequence, culture is not seen as a marginal asset and CCR, apart from giving relevancy for culture has also the advantage to increase stability of a company's economic system by the trust it generates (Lamprecht, 2015).

Generally speaking, donations come from a company's philanthropy budget about which a committee of management and employees decide. Nowadays, many companies have their own CSR department, which is also the case in the banking sector, however as in many bigger enterprises, often a separate foundation is aimed to manage the philanthropic activity. Unlike sponsorship, donators and receiving organizations do not have a business relationship; the donations for the giving companies are thanked quietly. The relationship involves the monitoring by donators if funds were used for the right purposes (Walliser, 2010).

What makes companies around the world to give more and more attention to the elaboration of a CSR strategy? Sponsorship strategies according to which money is given in order to increase publicity in the future is losing its attractiveness since it has shown to be an inefficient way to build long-term relationship with clients during the financial crisis. Therefore, corporations are in search of new means to communicate with clients, to involve their employees in their activity and to better represent the company's mission, core values and goals to the public. Social and cultural engagement today has turned from image building

to the importance of trust between companies and customers where trust is seen as a real economic asset (Lamprecht, 2015).

We can find a parallel connection with the financial crisis and the growing popularity of CSR and CCR. The shrinking state subsidies for culture due to the financial crisis have put the focus of private companies on new ways to gain back confidence. Beside the well-known goals of CSR and CCR, namely to act in the favor of common good and general interest, this thesis claims that a new communicative approach with stakeholders is also present. The reason for the search for new ways of communication is the lack of trust as a consequence of the financial crisis. Putting less emphasis on sponsoring and traditional methods of advertising, I assume that private companies, not only talking about the case of France, have found in CSR a new, more effective way of communication and relationship building both inside and outside the company (Lamprecht, 2015).

## CHAPTER 3

### 3.1. Governmental Incentives for Corporate Donating in France

#### 3.1.1. The Correlation Between the 2007/8 Financial Crisis, Public Subsidies for Culture and Private Corporate Donations

The French fiscal system in light of the promotion of corporate donating is especially active compared to other developed economies. Firstly, I will examine what kind of changes in the public sphere occurred regarding corporate donations for the cultural sector since the financial crisis, then I will take a look at the way new regulations have affected corporate donating. The aim of this research is to define a certain correlation between government cuts of funds, tax incentives for corporate donation and private funding of the arts in France. For this to happen, I use data on the one hand taken from the literature about governmental stimulation of corporate philanthropy in general and on the other hand, my interviewees' answers representing the point of view of private banks, namely that of the Foundation of Crédit Agricole and Banque Populaire.

With the arrival of the financial crisis, government cuts affected many sectors of the economy, among which culture was one of the areas that suffered most in many European countries. In 2013, public funds for the cultural sector have dropped by 4.3% in France respectively to the previous year. This significant public cut was justified by the need to fight the economic recession as well as a preference of “quality over quantity” concerning the support of cultural projects as pointed out Aurélie Filippetti, the French Minister of Culture and Communications between 2012 and 2014. As a consequence of this policy, the government designated €7.363 billion to culture and communication, and only €3.55 billion to the cultural field in the same year (Coalition pour la diversité culturelle, 2012). Sauvanet points out that “the role of the state in France and Italy has been a major factor in the development of culture” (Sauvanet, 1999, p. 59.). In her main argument, donations constitute a complement, but not a substitute to the funds allocated by the public sector that are always scarce in times of budgetary restraint.

In France, museums and national heritage protection are considered to be the most important areas in the cultural sector due to their huge economic weight. Although they are still the most often supported areas by the public sector, the French government had to find new alternatives to replace the missing public subsidies after the crisis. The new budget of public funding introduced by the government of Francois Hollande in 2012 affected mainly the cultural sector with a drastic decrease regarding the field of cultural heritage protection. In numbers, we talk about a drop of €54 million in 2012, meaning a decrease of 9.8% compared to the previous year concerning the grants given to the preservation of historical monuments in the country (Coalition pour la diversité culturelle, 2012).

The considerable decrease of funding of culture and the arts is mainly explained by the abandonment of long-term heritage projects according to Filipetti. Interestingly, we can see an opposite movement in the private sector, where corporate donations to culture and the arts are growing (Coalition pour la diversité culturelle, 2012) and were not significantly affected by the financial recession. The thesis assumes that one can define a direct correlation between three main actors: changes in global economy, consequent increasing governmental fiscal incentives for private donations and the increase of CSR activity of French private companies and more specifically, increasing private patronage of culture. This chain of movement linking global economy with the French public sector and private companies is what provides the main line of thought of this thesis. In order to understand how these factors affect each other, more specifically what kind of effect public incentives have on private financing of culture I depart from the French fiscal system regarding corporate philanthropy.

As we see on **Figure 1** showing the evolution of corporate philanthropy between 2006 and 2014, despite the financial recession the number of enterprises acting as donators to social or cultural foundations kept growing. In 2006, only 800 large-scale enterprises were registered as donators in France and in 2010, in the year in which we have seen an important decrease of public support to culture, this number has grown 40 times higher including large-scale as well as mid-size enterprises. After the crisis, donations kept increasing and we could count 159,000 enterprises of mid-size businesses altogether with large-scale businesses actively participating in corporate philanthropy. In terms of actual financial donations, one can observe that the increase of new enterprises having a philanthropy budget is more important than the amount of money given, however even in this case we can define an opposite movement to global economic tendencies.

Interestingly, despite the financial recession of 2007/8, before and after the crisis in France (I refer here to data taken from 2006 and 2010) financial donations have doubled from 1 to 2 milliard Euros (Admical). From the point of view of changing fiscal policy, this thesis claims that the evolution of private donating to culture is mainly a result of fiscal incentives, although other economic reasons and non-economic reasons for growing corporate donations and the popularity of CSR will be discussed in Chapter 4 (French National Assembly, 2015). In the following paragraphs, I analyze the effect of public incentives to private donations based on the data provided by national institutions such as the Ministry of Culture and Communication that gives an overview of the French fiscal system regarding private donations, as well as Admical data providing quantitative data on changes in private donations in recent years.

### *3.1.2. The Types and Functioning of Fiscal Incentives for Corporate Donations*

According to the assumption of this thesis, the opposite tendencies in the private financing of the culture and the arts compared to public support demonstrate the interconnectedness of the two sectors. The present study supposes corporate donating is dependent on the public sector and in what follows, I examine what kind of solicitation is needed from the part of the French government to increase corporate monetary donation. Today, the tax system of the country is probably the most incentive for corporate donating from which many other countries can gain inspiration as Noëlle Dautzenberg-Malard, general delegate of the Crédit Agricole Foundation pointed out when explaining the economic reasons of corporate donations in the case of the French banking sector (interview made on 04/04/16).

The so-called Aillagon Law, referring to the article 238 bis of the French General Tax Code, introduced on the 1<sup>st</sup> August 2003 is a milestone in the French tax system regulating philanthropy. The law which gained his name from Jean-Jacques Aillagon, Minister of Culture and Communication between 2002 and 2004, creator of the regulation, allows companies to deduct 60% of their donation expenses under some conditions of course. The French fiscal administration has strict regulations in defining the goal of donating as well as the possible beneficiaries. An enterprise can only benefit from the fiscal deduction if they support bodies (foundations, associations) or charities functioning in the general interest.



Private companies in France are eligible to fiscal deductions if the fund goes to an organization of general interest of educative, cultural or social/humanitarian, scientific purposes as mentioned above (French Ministry of Culture and Communication, 2015). The law regulates who can profit from financial or in-kind corporate donations: beneficiaries cannot practice any commercial activity, except the diffusion of live entertainment and cinema. The receiving organizations can have the form of foundation, association, public or private, non-lucrative institution of education, museums, organizations having the activity of managing and organizing cultural events and festivals (French Ministry of Culture and Communication, 2015).

**Figure 2** published by the French Ministry of Culture and Communication shows exactly how corporate donations can be deducted. The figure provides an overview of the four main cases companies can use tax breaks after their philanthropic activity. If all these conditions are fulfilled, donators being companies subject to income tax are eligible of the deduction of 60% of the donated money with an upper limit of 0.5% of turnover (Admical's definition of patronage). This is the most commonly used tax benefit and interestingly, France is the only country offering the possibility of the deduction of 60% of the donation amount from the corporate tax or income tax. Secondly, in the case of donations in favor of the public acquisition of cultural goods labeled as national treasures or of high interest of national heritage the law renders possible the defiscalization of 90% of sum donated, while the direct acquisition of cultural goods allows the deduction of 40% of the price (French Ministry of Culture and Communication).

In the case of the acquisition of a cultural good labeled as national treasure the buying company can benefit from certain fiscal deductions: after the payment, the donators do not have to pay value added tax, in addition to further fiscal reductions directly taken from the corporate tax or the income tax. VAT deductions for buying cultural goods and services present the biggest encouragement to support cultural industries, especially in cases of market failures, for instance, when cultural products need subsidies since the market is too small to operate efficiently. The limit of the sum possible to reduce is 50 % of the tax due above this amount companies cannot have tax benefits regardless the amount of the donation (Čopič et al., 2011).

### 3.1.3. Reasons for the Public Encouragement of Corporate Philanthropy

According to Aurélie Filippetti, tax incentives from the part of the government as well as direct public funds to the cultural sector serve then mission of the French Ministry of Culture to promote cultural development and artistic creation (Coalition pour la diversité culturelle, 2012). However, creation and creativity, although being considered as an engine of economic development, is still the first sector to be exposed for budget cuts in times of economic recession. Recently, in 2013, the total budget dedicated to the creative economy dropped by 1.57% to €775 million (Coalition pour la diversité culturelle, 2012). This thesis assumes the fiscal incentives in question serve the balancing of decreasing public funds for culture shows creativity is considered to be an important economic asset for the government.

The shift from direct financial support to indirect financing through tax incentives and the changing focus of the government regarding cultural development can be explained mainly by two factors according to this thesis. Firstly, from a financial point of view, the favorable fiscal system for donations helps to balance government cuts as mentioned before. Secondly, the perception of the way culture should be publicly financed has also changed. After the financial crisis, the French government tried to focus more on rendering culture accessible for every segment of the society which has showed to be a more efficient way to develop the cultural sector on a long-term scale. Furthermore, the abandonment of expensive cultural projects in the Parisian area and the emphasis of culture as an educational tool is not only a less costly solution, but also serves the idea of cultural democratization according to Filipetti. Democratization of culture through indirect support of artistic creation, performances and the preservation of national heritage by encouraging private donations is what characterizes France's cultural policy today (Coalition pour la diversité culturelle, 2012).

Looking back to the numerous incentives the French government provides, there are still some reasons left for which certain companies do not use their right for defiscalization from donating. As Admical shows, a number of French companies do not use their right to deduce a certain amount of the donations from their value added tax, income tax or corporate tax (Admical, 2015). **Figure 3** summarizes the main reasons for this ambiguity, and provides some interesting details about some malfunctioning of the application of public incentives in practice. According to the survey of Admical effectuated in 2014 involving 34 companies, the main reasons for enterprises not to benefit from the Aillagon Law are mainly because of

practical inconveniences which fact draws the attention to the possible improvement of the act in the future. 29% of the private companies interrogated although acting as donators, were not eligible for tax relief. Secondly, issues such as the time-consuming character of the application for fiscal deductions clearly show that simplification of the bureaucracy is still needed for the fiscal incentives to function more effectively.

Comparing the French case to other leading states of Europe in terms of private cultural investments in culture helps us to realize the potential of the French system on a global scale. What is different in the case of France compared to the two other main actors in the field, the United Kingdom and Germany is the highly institutionalized character of private philanthropy. First of all, in the two other cases, corporate donating is not as clearly separated from sponsoring as in France. Furthermore, the 2003 law introduced in France also contributed to the success of private donating in the country whereas we cannot see such a turning point in the case of other states (French National Assembly, 2015).

Already five years after the introduction of the Allaigon Law, in 2008/9, according to the study of the French Ministry of Culture and Communication, French enterprises have given €975 million to culture in form of monetary or in-kind donations and sponsoring. In the same time, although numbers are not easy to determine due to the above-mentioned lack of separation of financing ways, German and British companies have given clearly below the French ones. At the peak year of the financial crisis, in 2008 companies in the UK supported culture with €170 million, while Germany sponsored the cultural sector both including the public and private sector with €350 million (French National Assembly, 2015).

In conclusion, cuts in public funding in times of economic downturn harm the cultural sector first of all. However, this phenomenon involves in the same time an incentive for private patronage of artistic creation. Art and culture are seen by the French government as an important factor of not only the national economic growth, but as a possible way of education which can effectively fight against social inequalities. This thesis states that the main reasons for the highly developed system through which the French government encourages private investments in the arts and cultural lean on the need of financial balance in supporting the cultural sector being an economic engine and the long-term positive effects of cultural development on the whole society. We have to mention that the above-mentioned examples of tax relief are the four main measures through which the government facilitates corporate

patronage. Indirect public support of the arts also includes the stimulation of fundraising and that of intermediate organizations and events such as arts and business forums and other social ventures (Čopič et al., 2011). In the following chapter, I analyze the current tendencies in CSR and the role of culture in CSR in France considered as a direct consequence of the above developed public enhancement for private donating for culture.

### **3.2. Current Tendencies of Corporate Cultural Patronage in France**

When analyzing quantitative data on private cultural patronage in France, the first difficulty we affront is the hardly possible separation of cultural philanthropy from other fields. CCR being incorporate to CSR strategies results in the fact that we cannot talk about pure cultural philanthropy in the private sector without taking into consideration social, environmental and humanitarian corporate patronage for instance. Furthermore, according to the French National Assembly's survey, what also makes data analysis difficult is the fact that cultural patronage is still seen as a "luxurious activity", especially in times of financial crisis. It would be biased to draw a direct line between this phenomenon and the drop of public and private cultural budgets, nevertheless it is still interesting to consider regarding the growing presence of social, educational and environmental patronage over the last few years (French National Assembly, 2015).

In recent years, we see an important change in the way culture is subsidized by the government and supported by the private sector in France. The traditional way to patron culture in France, as pointed out by the Fondation Crédit Agricole, consists mainly of the financing of the restoration and valorization of cultural heritage as well as the support of artistic creation (interview with Noëlle Dautzenberg-Malard, made on 04/04/16). This phenomenon is especially strongly present in the banking sector, where the biggest private banks (BNP Paribas, Banque Populaire, Banque de France, Crédit Agricole, Crédit Foncier) all have a long-time tradition of cultural philanthropy. What we can notice, is the growing presence of a kind of "mixed patronage" bringing together the traditional form of *mécénat* with the growing focus on the democratization of culture aiming to render culture accessible to a broader audience (French National Assembly, 2015).

Today, at an international scale, there is a significant strategic development of corporate patronage within CSR. As philanthropy becomes more and more structured and organized, its

connection to the companies' core activity is also becoming clearer. Generally speaking, the philanthropic action of a corporation follows the global strategy, mission and vision of the company. To give an example, Crédit Agricole in France is known as a private bank putting a lot of emphasis on regional presence which characteristic is align with their philanthropy: the bank aims to enhance cultural revival on the countryside by financing restoration projects (interview with Noëlle Dautzenberg-Malard, made on 04/04/16). This harmony between the competences of a business and their philanthropic activity according to this thesis justifies the idea that there is no philanthropy without an accord of the mission and vision between the donator companies and beneficiary organization.

As already pointed out, this thesis focuses on financial donating which in France gives 81% of donations in the private sector, although we have to mention that in-kinds still represent an important part of private philanthropy (33% in 2014, see **Figure 4**). What this Chapter focuses on mostly is the diversification of corporate philanthropy since the financial recession and the consequent structural complexity of this segment of the economy as well as the effect of the financial crisis on donators and cultural philanthropic budgets.

First of all, I aim to examine the philanthropic activity of French private enterprises taking into consideration their size in order to draw some conclusions concerning the relationship between the size of a firm and its donating activity. Examining the overall percentage of donating companies, we can state based on data taken from 2011 that very small, small and mid-size businesses are more actively present in corporate donating than large companies (**Figure 5**) independently from the sector supported. However, as for the donating budget of companies, we can note that the amount of monetary donation reflects the earnings of a company. In the same year, the average CSR budget of a large enterprise overpasses €10 000 per year for a financed project, whereas the budget of SMBs (small and medium-sized businesses), for a project varies between €1 000 and €5 000 (Admical, 2013).

Specifically talking about the cultural sector, **Figure 6** represents the participation of companies in patronage according to the size of the business. Here, what we can notice is that more than 2/3 of donators are SMBs and big enterprises give only a quarter. Nevertheless, we have to note that we do not have at our disposal exact data about the actual capital donated. According to Vesterlund's theory (2006), the amount of donation given by individuals as well as companies is in parallel with their earnings. I claim that also the interpretation of donating

to culture seen as a “luxury sector”, especially in times of crises, has also contributed to the growing importance of other sectors (development, protection of the environment etc.) that corporations finance. Nevertheless, culture still represents an important part of private donating, 23% (see **Figure 6**) in 2014 (data taken from Admical), while in the US for instance, this number in the same year is \$17,23 billion which is only 4,8% of total private donations (Giving USA Annual Report, 2015).

The CSR department of an enterprise is focused on many various subjects, and in what follows, I aim to define the current tendencies concerning the benefiting sectors, with a special focus on the importance of culture. The projects supported by private companies vary from sport, artistic creation, education to medical research. Among these subjects, according to the barometer of Admical, today in France, sport is the most frequently supported field followed by health care. Culture in France is a sector with an important economic weight, but as we have seen above, private as well as public support is shifting to the financing of (artistic) education, communication and research as a tool to fight social inequalities.

**Figure 7 and 8** give us an insight about French companies’ preferences in CSR. From 2011 to 2014, the sport sector which was already a leading sector during the crisis has grown to 56% followed by social patronage and health care. As for culture, it has a stable presence in the corporate donating scene. In 2011, 24% of the companies engaged in philanthropy acted as patrons for culture, while in 2014, 23%. However, we can see a drop in terms of the funding budget. Over the 4 years I examine, the philanthropic budget for culture has decreased to half which is according to this thesis due to the effect of the recent crisis as well as a fusion of cultural and social projects in CSR.

Now let’s examine more in depth the place of private cultural patronage in France. **Figure 9** shows the hierarchy of the different domains private enterprises donated to in 2014. As we can see, music is the most often supported sector in culture, followed by museums and expositions. The strong presence of music (39%) and performing arts (19%) can be explained according to this thesis by the new tendency of rendering culture accessible, via educational programs for instance (Admical, 2014). The preservation of cultural heritage is also one of the leading segments of culture in terms of corporate patronage, however as we will see in the next chapter, it is mostly financed by the banking sectors.

How did the financial crisis affect public and private cultural patronage? According to data regarding the national expenses for culture in 2010 published by the Council of Europe and the European Parliament, in many European countries, national funding of culture as a percentage of GDP diminished as a direct consequence of the recession (see Chapter 2) (Čopič et al. 2011). Inkei in his European Council research paper entitled *The Effects of the Economic Crisis on Culture* shows that in 2009 and 2010, public budgets have shrunk dramatically, in Italy for instance by 14.08% and by 18.04% in Greece. This considerable decrease is even more important bearing in mind the number of cultural heritage sites in the two countries.

The Netherlands and the United Kingdom had effectuated even greater cuts during the crisis meaning a decrease of 20% of the public cultural budget in Holland, and approximately -25-30% in the latter case (Inkei, 2010). As for France, the 2% cultural budget cuts from the part of the government is still in the European average reduction level in 2014 with a slight increase in the performing art sector, where governmental financing has increased in 2014 by 1.3%. The focus on education and performing arts however resulted in cuts concerning cultural heritage in which sector by the end of the crisis governmental support decreased from €400 to 309 million (Goetz, 2009).

As national cultural budgets were shrinking, we can also note a decrease of private budgets for culture during the crisis. As Čopič (2011) points out in her paper written for the European Parliament, until the financial crash in 2007/8, business support of the cultural sector showed an increasing tendency in Europe which has changed with the recession. Until the 2007/8 financial crash, business support of the cultural sector showed an increasing tendency in Europe which has changed with the arrival of the global economic recession. Beside the decrease of cultural budgets of companies, however, the number of enterprises contributing to the financing of the cultural sector in form of sponsorship and donating is growing (Inkei, 2010). Therefore, in general, we can claim that philanthropy in France in the private sector has remained stable during the crisis in terms of the participation of firms.

Nevertheless, the budget dedicated for CSR and donating in France has dropped by 20% between 2008 and 2010 even though the participation rate grew 17% over the 2 years. The financial crisis did not have a drastic impact on the choice of the enterprises: culture was chosen by 37% of the donators which number did not significantly change over the recession.

Especially talking about big enterprises (200 or more employees), culture had a leading role and was chosen by 50% of big enterprises after social, educational and health projects (Admical, 2013).

The case of cultural patronage reflects the general tendency of private donating: regardless the sector, private patrons have a constant presence; however their budget follows global economic fluctuations. For instance, talking about culture, in the peak year of the recession, although the number of donators did not significantly change, the budget of French private cultural patronage has decreased between 2008 and 2009 from an estimated €975 to €380 (Urrutiaguer, 2014). Numbers show that even if culture is not the first priority of corporate donators, nevertheless, on an international level private culture patronage is highly present. For instance, in 2011, 26% of the overall French private donating budget was dedicated for culture which is significantly more important compared to the 5% of the US (Giving USA Annual Report, 2011).

Based on the data represented in this chapter and baring in mind the important tax incentives of the government discussed in Chapter 3.1., this thesis claims that the financial recession had an impact on the budget of donators, but did not negatively affect the number of participating companies in patronage. The financial crisis of 2007/8 shows evidence of the above assumption, in addition, as my interviewees representing Crédit Agricole and the Fondation Pierre Bergé - Yves Saint Laurent also confirmed (interviews made on 04/04/16), companies tend to response more to the price of donating, meaning that tax incentives have a greater influence on their philanthropy than changes in their income, in our case due to the recent financial recession.



Concerning the different cultural fields, after the crisis, one can notice a similar tendency in public and private donations. In 2013, the funds given to the field of cultural education was increasing in both public and private sector: €232.3 million was granted to higher education in the cultural sector by public and private donators (meaning a 2.52% increase compared to the previous year). This amount is considerable in light of the growing austerity of the French government's economic policy as an answer to the economic recession which generated in general budget restrictions of public funding during and after the crisis (Coalition pour la diversité culturelle, 2012).

## CHAPTER 4

### 4.1. Donating and Gift Economy

Before entering to the detailed discussion of corporate philanthropy, I would like to depart from the concept of gift economy in order to be able to put into context corporate donating within this realm. It is important to discuss the nature of gift and apply it to corporate philanthropy for further analysis of the motivations behind donating discussed in Chapter 5. As stated in *Reciprocal exchange: a self-sustaining system* written by Kranton (1996), gift exchange is different from a commodity exchange in the sense that it does not refer to trade based on an agreement or future return. Hence, a gift is not part of market economy since it is not given for a good or value in exchange. However, a gift is also based on reciprocity in the sense that gift giving establishes a relationship between the parties.

Following Klammer's line of thought in the chapter *Gift economy* in Towse's *A Handbook of Cultural Economics* about the nature of gifts, I consider it in an economic sense "...an instrument for the sustenance of vulnerable values that are not easily generated in the market place or by means of the collective sector, such as personal relationships, love, friendship, collegiality but also the sciences (truth), religion (spirituality) and the arts (aesthetics and so much more)" (Towse, 2011, p. 247). This principle is easy to apply to the concept of donating, where we can observe the instrumental character in the transmission of an often non-measurable value in the sense that donating is aimed to serve first of all a common good or an objective of general interest. However, taking into consideration that donations are transactions without donors expecting any direct benefit the thesis assumes that there are reasons above economic gains for corporate giving (see Chapter 5).

Measuring and defining the main motivations behind donating considered as a gift is not obvious due to the fact that as Klammer says, a gift exchange cannot be treated as a mere market exchange. Here, instead of a traded good, a specified price and immediate return, we talk about donation (as already mentioned, in this thesis, I focus on corporate monetary donations for culture). Although donating does have some economic advantages and non-economic advantages in the future, we cannot talk about immediate benefits for the donor nor concrete, specified return as in the case of a commercial trade. The character of the donation similar to a gift is what distinguishes patronage from sponsoring: in the former case,

the “terms of exchange” as Klamer interprets (Klamer, 2006) are not defined which also makes the definition of the advantages complicated.

When buying or selling a commodity, the reasons for the transaction are clear, for instance it is enough to examine the changes in income. On the contrary, motivations for donating as a form of gift giving are not obvious and need further research (Vesterlund, 2006). This thesis assumes that there is a tradeoff and certain non-financial returns, but even financial returns for which the contribution from the part of enterprises takes place. There are many benefits deriving from donating for the receiving organization, but also from the point of view of the donating company. In this chapter, I aim to focus on this latter case examining the economic tradeoffs and the non-economic tradeoffs.

#### **4.2. The Economic and Non-Economic Reasons for Private Cultural Patronage**

According to the hypothesis of the present study, apart from the sustenance and transmission of a value – in our case we talk about artistic and cultural value – gift has also the function of helping to achieve the goals of the giver. What do companies, especially private banks, expect in return for cultural philanthropy? This thesis states that donations are given for two main reasons. Firstly, for a good cause that the company associates with and secondly, for future advantages – financial benefits and non-financial benefits that indirectly contribute to the wellbeing of the donator company.

Applying the concept of gift economy to donating, we can observe the instrumental character of cultural patronage in the transmission of an often non-measurable value in the sense that donating is aimed to serve a common good or an objective of general interest. As I knew from the interview with the Fondation Yves Saint Laurent (interview made on the 03/04/16 with a general delegate of the organization wishing to stay anonymous) also points out, private donating hardly happens without the company being concerned by the values the receiving organization represents. Following this line of thought in examining the non-economic reasons, this thesis assumes that nonprofit output, as Vesterlund (2006) also points out, simply makes the giver to feel better first of all. For a company, it can create the feeling to be able to give a part of their financial achievements and non-financial achievements back to the society. According to her study, donating also entails an increased prestige and acknowledgement for the enterprise.

CSR (and CCR) can be translated as the institutionalization in the private sector of a certain feeling of social responsibility and consciousness, the engagement with a certain goal benefiting the society. Global thinking and feeling responsible is thus a necessary element of a donator's mindset. Thus, to put it simple, being useful for a broader community, transmitting values, giving back something to the society are the core objectives of CSR (Vesterlund, 2006). Although this thesis agrees with Vesterlund's point about the importance of a certain emotional and moral connection to a certain cause, it would like to go further in the research and focus on the indirect economic advantages of donating.

Another important social factor which can enhance corporate donating, this thesis assumes, derives from the growing presence of CSR strategies. The increasing success of the incorporation of CSR and CCR in the functioning of companies willing to support a good cause (see Chapter 3) has thus become subject of a certain competition. Social pressure for giving shows that donating does have an impact on a company's public image and hence it does function as an image-building tool in the private sector. It might seem contradictory taking into consideration the fact that donating in France cannot be used for advertising purposes. Nevertheless, especially in the banking sector, the projects of many banks' foundation are publicly available. Therefore, even if the main goal of making information about the donating process available is not to gain clients and obviously concrete numbers cannot be published, giving information about a foundation's mission, values, work and the organizations supported is still a certain form of gaining visibility. Furthermore, often public announcements of past contributions are made that can also be seen as a certain publicity of patronage as well as a form of incentive for future donations in the same time (Vesterlund, 2006).

In the above case, I find it important that we do not talk about marketing and advertising as in the case of sponsoring, however donating can be motivated by social acclaim. Apart from the generosity and the wish to contribute to the well-being of the society are there any motivations for corporations to donate? Even if in donating we cannot talk, about counterparties and marketing, philanthropic activity still has an influence on the company's or foundation's public image according to the hypothesis of this thesis. Unlike sponsoring, donation is not publicly advertized, however the donation may be used to increase the corporate image of the company with its own stakeholders (employees, shareholders etc.). There is a fine line between donating and sponsoring in terms of advertizing: if there is any

explicit advertizing of the donating activity, it is considered as sponsoring and hence donators lose all fiscal benefits (Urrutiaguer, 2014).

As Brière says (2005), proof of this phenomenon is that often donator enterprises are the ones with an important image deficit. Donors can stay anonymous, but donating can also be public for example if the donating company's name will be announced or published on a monument. If it occurs, some indirect benefits can be received, similar to the public promotion of a company's name in sponsoring and consequently, donating can result in a growing reputation of the donor. Hence, this thesis claims that the many regulations regarding private corporate donating concern more the direct benefits (for instance banning advertisements or gain clients), but many indirect, long-term benefits are at the disposal of the patron (Vesterlund, 2006).

In addition to reputation, networking is another point I find important to mention as one of the motivations for corporate patronage. Especially in the case of large contributions, where often the name of the individual, company or bank is presented on monuments and donators are invited to social events. I find that networking and social reward are inseparable, since for instance donators can even choose to give away their money, time or goods because it means access to a certain social circle or club (Vesterlund, 2006). Even if not directly, but the donating process can contribute to the growing clientele of the patron which factor is in connection with the networking character of patroning. The organization of charity events, the collaboration with other organizations, institutions and projects as well as animations within the enterprise itself all contribute to getting to know the organization to new publics and maintain a trust-based relationship with present clients and partners (French National Assembly, 2015).

As Sahlins states, the specificity of gift lies in the fact that in the giving-receiving relationship one of the parties has to be "in debt" which means that they feel the obligation to return the gift in the future (Sahlins, 1972). Having examined the intangible benefits of corporate philanthropy, I aim to study the tangible monetary benefits and non-monetary benefits. To give an example, some charities offer actual gifts in return to thank the donation, such as, recognition presents, letters, welcoming or thank-you gifts, membership benefits, namely free tickets to events, updates on shows and exhibits among others (Vesterlund, 2006). Beside the creation and transmission of (cultural) values and the indirect benefits corporate donating

brings from image building to trust-based client relationships, significant financial benefits also motivates private corporate donations as Chapter 3 has discussed it. The factor of fiscal interest is especially strong in France where the numerous tax incentives the French government provides are one of the main reasons for the increasing donations in the private sector.

Despite the importance of tax incentives regarding the growing number of both corporate and individual donations in France, Noëlle Dautzenberg-Malard, general delegate of the *Fondation du Crédit Agricole - Pays de France* points out that in the case of their institution, economic benefits deriving from fiscal advantages are not measurable; being useful and contributing to the development of national cultural, economic and social life stands above fiscal incentives. Nevertheless, as she explains, there is a growing number of foundations in the country and what is more, they function in a more and more professionalized way since 2003. She strengthens the assumption of this thesis according to which the increasing private donations (independently from the receiving field) would be in big part due to governmental encouragement as a balancing policy of decreasing public funding (interview with Noëlle Dautzenberg-Malard, Fondation Crédit Agricole made on the 04/04/16). However, these incentives only reduce the due taxes, but they do not reduce the price of giving to zero which also strengthens the idea of this thesis according to which the commitment to social development, cultural development and economic development are a core reason for donating apart from tax incentives.

#### **4.3. A Case Study of the French Banking Sector**

In this chapter, in light of current tendencies in patronage, and of the effects of the financial crisis and governmental incentives, I aim to focus on the banking sector. Data was collected from the 4 interviews mentioned in *Methodology* with the Fondation Crédit Agricole, Crédit Foncier, Banque Populaire that were selected since they are acknowledged today as a few of the most important donator banks. Apart from the above banks, the Fondation Pierre Bergé - Yves Saint Laurent represents the private sector in general in order to get an overall picture about the biggest private enterprises' donating behavior.

Crédit Agricole, as its name shows, has historical ties to agriculture on the whole territory of France. Operating mostly as a regional bank, it puts a lot of emphasis apart from its financial

activity to regional development and sport sponsorship (Crédit Agricole, 2015). Groupe Banque Populaire is known as a group of cooperative banks and today, beside BNP Paribas is one of the most important French financial institutions in the country with almost 10 million clients and a presence in 70 countries and following the crisis, in 2009, it merged with the Groupe Caisse d'Épargne. Concerning its philanthropy program, the bank principally supports sport sailing and the conservation of national heritage of water (Banque Populaire, 2015). The third bank examined, Crédit Foncier is a mortgage bank, part of the group BPCE involved in the support of associations dealing with socially cohesive and sustainable housing (Crédit Foncier, 2015). Finally, the Fondation Pierre Bergé - Yves Saint Laurent operates in the field of art mostly on a project-based system supporting two main events each year promoting creation: the Paris Autumn Festival is dedicated to the contemporary art and exhibitions of upcoming artists in the Palais de Tokyo (Fondation Pierre Bergé - Yves Saint Laurent, 2015).

Banks in general are considered to be historical philanthropic actors and patrons for culture. In France, especially from the 80s, donating in the banking sector has become more organized by banks establishing their own foundations entirely designated for philanthropy. From then, institutionalized donating has spread even more in the country over the 80s and 90s. Today, by the arrival of the concept of CSR, we can talk about a modern, well-organized philanthropy in the private sector (Bergala, 2013). Another reason for the leading role of banks in the engagement of cultural *mécénat*, I assume, is the direct relationship of banks with actors of the field. In each region banks have agencies, institutions, all in all a strong presence in the economic network of the country.

Today, financial institutions do not only lean on their actual economic activity: value creation is more and more emphasized by private banks. Adaptation to social pressure in showing to represent certain values such as the engagement to sustainable development has resulted in the growing importance of CSR in the banking sector (Fuchs, 2006). Although this thesis agrees with the presence of a competitive environment in the financial sector regarding a positive, society and client-focused image-building, we do have to examine the actual long-term benefits of donating for banks.

As already pointed out in the section concerning the connection between governmental incentives and corporate donations, the Aillagon Law introduced in 2003 has encouraged even more development in the sector in terms of the institutionalization of private philanthropy.

The presence of the banking sector in cultural philanthropy is also important not only regarding the actions, but also in terms of their budget. Financial help from the part of banks is one of the main elements in today's French corporate donating due to its developed and structured form. The role of banks in private patronage, I assume, is specifically important due to three main factors. Firstly, they have a long-time stable presence in private patronage, secondly, they are known as the most important contributors to social and cultural projects regarding the donated sum (Admical) and finally, we have to take into consideration that today in France, almost every private bank participates in philanthropy.

To give an example to the strong presence of private banks in donating, the highest philanthropy budget in the private sector in 2012 was that of the BNP Paribas with €38.8 million. This number is followed by another private French bank, Société Générale with its €33 million destined to philanthropic activity (Admical, 2013). According to Admical's data, the engagement of big enterprises outside the banking sector is rarely higher than €10 million (Admical, 2013). Another observation about the specific importance of the banking sector in light of patronage is that banks are extremely active in the field of culture that puts the sector into a privileged position in CSR. According to a study (Bergala, 2013) made in 2013, 90% of French banks support the cultural sector, and since the introduction of the 2003 law, 13 banks have been nominated *Grand mécène de la Culture* by the state. This nomination meaning "Big patrons of Culture" is given since 2003 to the most important private contributors to culture in France. Each year, between 5 and 10 companies can receive the title with private banks (Fondation BNP Paribas, Natixis, Crédit Agricole, Caisse d'Épargne Ile-de-France among others) being labeled as *Grand mécènes* every year.

This thesis claims that having seen the quantitative data, it would be exaggerated to talk about a drastic drop in the cultural budget of corporations. On the contrary, the recession has been manifested more on the way the cultural sector is supported. Today, money goes more to the facilitating of the spread of culture. Education, as it was discussed in Chapter 2 about CSR, is generally more and more in the focus of corporate philanthropy. The importance of rendering culture accessible can be explained by two factors according to the finding of the present research. Firstly, projects rendering culture accessible is less costly according to Noëlle Dautzenberg-Malard (interview made on 04/04/16) and secondly, the shift to the support of education as a tool for social well-being is in general increasing in both public and private social responsibility.



What can be the main motivation of banks to contribute to culture in light of the general objectives for corporate patronage? As my interviewee representing the Fondation Banque Populaire points out, donating is a certain tool to spread the values the bank is willing to represent (interview made on: 25/05/16). In addition, another basic element found to be essential in patronage according to my interviews was to agree with the benefiting organization's mission. Furthermore, especially considering the banking sector, there is a long-time history of cultural philanthropy in the country. For instance, Crédit Agricole is known as a patron for culture for already a century his activity going beyond that of mere financial functioning (interview made on: 04/04/16). My interviews showed that in this case as well, it is important to feel a certain responsibility toward the society. Fiscal incentives were also pointed out by all of my interviewees as a milestone in the history of corporate patronage in the country. In fact the 2003-709 law regarding patronage being an incentive was highlighted in all the 4 cases. As I knew from my interview with Crédit Foncier, after the introduction of the law 2003-709, there has not been any more significant changes in terms of fiscal incentives (interview with Blanche de Mas-du-Paysac, 25/05/16) which shows according to the thesis' statement the well-functioning of the system.

Bergala highlights that the growing philanthropic activity of banks could be explained by an intention of "humanizing" their sector (Bergala, 2013). This thesis assumes that such "humanization" derives from a need of creating a positive image, a certain connection with the public. Thus, the willingness to attract clientele has an indirect impact on bank donations. In this sense, modern CSR is also a tool of personalizing a company's activity, to give an image, in our case to the banks and to bring the sector closer to people through the establishment of foundations. Being useful (interview made on 04/04/16 with the foundation of Crédit Agricole) is thus just like in the case of any other company, is an important motivation for banks to donate. Also, especially in the case of banks and big enterprises, local impact through donating is present: according to Admical (2014), 79% of donating companies support local projects. This fact also strengthens the idea that building a stable relationship with members of the society is one of the main objectives of patronage.

Although donating cannot be used as an advertizing tool, the interviews showed that it does give more visibility to the giving institution in a way. According to Crédit Agricole, even donating brings a certain visibility, but differently from sponsoring. In fact, donating helps to connect more to members of the society and therefore, unlike in the case of sponsoring,

patronage does not aim to get direct economic benefits, but to create a certain social well-being which is beneficial for banks as well. Blanche Mas-du-Paysac, director of CSR and Patronage at Crédit Foncier also found important to mention that gaining visibility through patronage and partnership is for them a principal motivation (interview made on: 25/05/16). By organizing public events, the foundations can represent their activity, and introduce the beneficiaries to the banks' clientele and partners (Bergala, 2013). In this way, as Blanche du Mas-de-Paysac, communication director of the CSR and Patronage department of the Crédit Foncier (interview made on: 25/05/16) also points out, donating is indirectly influencing the reputation of a bank.

Now, let's examine how banks actually donate regarding the process in order to understand the relationship between donors and beneficiaries. Apart from financial support, banks have the capacity to support the development of the cultural field in many different ways. In skill patronage, the help provided can be the activation of certain networks, advising, the direction and management of projects. In all 4 interviews however, the donating organizations stated that financial patronage is the most common way. **Figure 10** from the study of Fuchs gives us an overview based the websites of French banks most actively present in patronage about the donating preferences in the cultural and social sector.

Fuchs (2006) claims that banks have adopted the same three ways of donating as other private enterprises: financial, in-kind and skill patronage. Also, his analysis concerns the methods bank give: most of the time we can talk about direct financing, giving via an association or a foundation. Regarding the way cultural patronage by banks has changed over the past few years, before the crisis, it was more common to see banks financing culture by the acquisition of goods or by patronizing directly artists. Today, many social-cultural projects are supported by private banks that for instance allow youngsters coming from sensible areas to take part in cultural projects, such as the realization of spectacles with theaters. In this way, social development is supported through the financing of culture without extra costs. The actual donating for the accessibility of culture as a common good can also be considered, this thesis assumes, as a long-term solution with a broader circle of effect, than the mere of acquisition of single cultural goods (Bergala, 2013).

As for the patronized projects by banks, Crédit Agricole acts in the field of cultural heritage protection in the country by supporting 40 to 50 restoration project per year. This relatively high number of financed projects shows the significant activity of the donator bank and can also be explained by the fact that projects are supported only at the beginning for a shorter period. As in many other cases (BNP Paribas, Crédit Foncier among others) here too we can note an organization dealing with cultural patronage and another one called Crédit Agricole Solidarité Développement for social projects where solidarity is treated as a mean for economic insertion (Fondation Crédit Agricole, 2015).

The Fondation Banque Populaire had an interesting idea combining social and cultural donating which can be considered as a new form of patronage. The organization financially supports disabled individuals in the domain of music and artistic creation. This phenomenon is also rarely present in patronage, since companies, especially big enterprises tend to support organizations rather than individuals. In consequence, we can say that the foundation does not operate purely in the field of CCR, but also as a general tendency, we see a shift toward social patronage. The relatively short-term relation between donator banks and receiving organizations (3 years) gives the possibility of the constant renewal of benefiting projects and thus that of the CSR strategy of banks (interview made on: 12/05/16).

The 2007/2008 financial recession had an impact on cultural philanthropy on the banking sector as it had on every segment of global economy. Specifically talking about the cultural sector, donations have decreased compared to other fields, The budget designated to support culture and the arts diminished since the financial crisis in the case of Crédit Foncier to the level that the bank has completely eliminated it from its CSR program (interview made on: 25/05/16), Meanwhile, a growing engagement with social issues is present not only in this specific case, but in the private sector in general. On the other hand, as for the effect of global economic fluctuations, according to Crédit Agricole, the 2007/8 crisis did not directly affect the bank's budget of patronage. The general delegate of the Fondation Crédit Agricole claimed that the CSR budget is treated separately from other budgets of the bank and consequently, it is less vulnerable in front of economic fluctuations. In addition, the Fondation operating for social and cultural well-being believes that in times of crisis it is even more necessary to support the development of life quality of the French nation (interview made on: 04/04/16).

The Fondation Yves Saint Laurent also strengthens the above opinion, claiming that the financial crisis did not have any impact on the organization regarding their CSR budget (interview made on: 04/04/16). An interesting contrast can be found in the argument of Blanche Mas-du-Paysac, director of the CSR and patronage department of the bank Crédit Foncier. As she states, the financial crisis had a huge impact on the bank's patronage activity. Here, budget reductions due to the recession resulted in the complete elimination of cultural patronage. Instead, more importance was attributed to social patronage. Hence, dealing with social problems through patronage, often via the support of the cultural sector (except the case of Crédit Foncier) from the point of view of banks was seen as a tool to fight against the economic crisis (Papazian, 2012).

## CHAPTER 5

### 5.1. Findings and Conclusions

At this point of the study, based on the analysis of the quantitative data and the qualitative data in the previous chapters, I aim to represent the main findings and conclusions of the research. In the center of this thesis I put the following research question: Based on current trends in France, what are the main motivations for corporate giving among private banks from the 2007/8 financial crisis until today? The question departed from three main assumptions:

- Donations considered to be a gift have some return benefits for the donators;
- Public cuts accelerated by the crisis resulted in government incentives for private philanthropy;
- Culture is regarded as an important economic sector in France independently from the financial crisis.

The observation according to which a donation can be considered as a gift due to the many similitudes of the two (based on Klamer's concept) was found valid when examining the potential returns for companies in the patron-receiver relationship. The observation according to which philanthropy is a financial support without direct economic benefits, however with many indirect economic gain and non-economic gains was also found to be valid based on the answers provided by the Fondation Yves Saint Laurent, Crédit Agricole, Banque Populaire and Crédit Foncier as well as by the literature (Bergala; 2013, Čopič et al, 2011; Martorella, 1996; Towse, 2011; Vesterlund, 2006; Walliser, 2010; Urrutiaguer, 2014 among others).

Departing from the idea that a gift is a mean of an exchange of benefits, I aimed to examine the advantages of donating from the part of enterprises. Obligation and economic self-interest is thus present in philanthropy eventhough we obviously cannot talk of market exchange as in sponsoring. Yet, there are many tangible and intangible benefits for individuals and corporations. Apart from an essential motivation to contribute to the general well-being of the society, this thesis found that patronage can also be considered as a strategic mean that via the contribution to an immaterial value also gives something back to the company.

Why does the French government find it important to enhance private contribution to culture? We have seen that private (cultural) patronage helps the balance cuttings and expenses (Inkei, 2010). The urge for this balancing is due to the fact that although culture is one of the first sectors to suffer from public fund reductions in times of crisis or economic shortage, nevertheless it is still seen as a fundamental economic engine. Thus, a mutual benefit is present in corporate donating for the public and private sector as well: there is a certain exchange of interests between the private and the public sector (National Bureau of French Administration, 2015).

According to the quantitative data and the qualitative data collected for the research, the first observation we can make is that patronage, being part of corporate CSR and CCR strategies has seen an important development in Europe over the last 10 years. The institutionalization and rapid professionalization of the sector motivated the research to look behind the main reasons for which companies donate and if they do so, why to the cultural sector. First of all, as we defined based on data provided by Admical, French companies although in many cases reduced their CCR budget (see *Crédit Foncier* in Chapter 4.3.), the significant tax incentives presented in Chapter 3.1. for donating since 2003 resulted in a relatively stable presence of corporate cultural patronage on a European scale (Bergala, 2013). This method to balance budget deficit of public donations showed to be effective in France where during the crisis, in 2012, culture was still the third most popular field companies donated to (*French National Assembly*, 2015).

As data mostly taken from Admical has shown, the ratio of national private donating in France is exceptionally high in Europe despite the financial crisis. Today, the different forms of engagement of private businesses concern approximately 300 000 entrepreneurs in France in total. According to the same organization's survey, today in France 73% of businesses independently from the size of the company donate, of which more than the half (56%) is financial help meaning around €900 in average (Admical, 2016). Apart from the importance of fiscal incentives, another explanation of the fact that culture is considered both by the public and private sector as an important economic asset can be found in the professionalization of non-profit organizations (see the development of CSR and CCR strategies in the private sector in Chapter 3.2) as it was also pointed out in the interview with *Blanche Mas-du-Paysac (Crédit Foncier)*.

French banks have a longtime continuity in cultural donating and we can observe a constant presence in philanthropy over centuries. Out of the three interviewees representing private banks only one stated (Crédit Foncier) that due to the crisis, the budget of CCR has diminished, even disappeared. In the other cases (for instance in that of Crédit Agricole) it was pointed out that the philanthropic budget of the bank is treated separately from other budgets which prevents financial exposure to fluctuations. Consequently, we can state that regarding the case study, the financial recession did not affect as much the actual budget of cultural philanthropy of banks than in general other enterprises.

Taking into consideration the fact that although in general CCR budgets of private enterprises have diminished as a response to the crisis, nevertheless, the number of donating companies did not cease to increase even in the peak year of the economic downturn (see Chapter 3.2., **Figure 8 and 9**). What motivations did we find to justify this observation? Firstly, we have noted that donating can be considered as a new way of communication generating trust which is especially important in times of crisis and of course adds to the overall social, economic and cultural well-being of not only the donator and beneficiary, but that of the greater society (Lamprecht, 2015).

Thus, the financial crisis has showed that in times of economic recession, corporate donations are indispensable as Valérie Pécresse, minister of Budget, Public Accounts and Civil Administration between 2010 and 2011, also states (French National Assembly, 2015). Therefore, if we consider trust to be an economic asset, we can claim that donating provides some greater economic benefits to a country. This idea was also strengthened by my interviews where trust for instance in the professional work of receiving associations and organizations encourages a company to give (interview made on: 25/05/16).

If we depart from the point of view according to which culture can be seen as a "luxurious" activity, it can help to enter to some social circles, for instance by associating with prestigious institutions, then cultural patronage is also a communication tool that allows to the patrons to spread a certain message or image (Bergala, 2013). I claim that also from the interpretation of donating to culture seen as a "luxury sector" has also contributed to the growing importance of other sectors (development, protection of the environment etc) corporations finance. Nevertheless, culture still represents an important part of private donating representing 23% (see **Figure 7**) in 2014 (data taken from Admical, 2014).

To conclude, the main reasons for donating from the part of French private banks between 2007/8 and 2014 were found to be:

- Tax incentives as major components to enhance donating
- Transmission of intangible values
- Being useful for a broader community and act serving the general interest
- Networking and other non-measurable benefits such as creating trust based bonds between stakeholders within and outside the bank
- Indirect economic benefits deriving from the revival of the greater surrounding of the bank due to cultural and social patronage.

## **5.2. Possibilities for Further Improvements in Private Cultural Patronage**

Obviously, corporate private patronage can be improved in many aspects. Having examined the subject from both the point of view of the public and private sector, defined the main motivations and benefits for companies, we cannot omit to mention a few aspects in which corporate donating in France can be improved. Some potential partners in the private sector still do not have enough information on the possible actors in the cultural field (Le Centre d'information et de ressources pour les musiques actuelles, 2010). Also, a possibility of improvement lies in the fact that many companies (45% of the donating enterprises in 2014) do not profit from the 2003-709 law due practical inconveniences (Admical, 2014). Another downside of donating to culture derives from the character of donation as a gift that serves the creation of positive relationship between stakeholders. As Klamer (Towse, 2011) says, “the arts most likely would not survive without it [donations]” referring to the dependence of culture on private and public donating.

The encouragement of local contribution to culture is a future task of European governments as well as the valorization of cultural patronage in the eye of the greater society. For this to happen, the focus of CSR on education that occupies a more and more important space in funding can be a solution. What can be stated as a new phenomenon is the shift from pure cultural patronage to mixed method as rendering culture accessible via education for instance, which is closer to social patronage ensuring cultural democratization. As a consequence, I claim that culture is seen by donators as a tool to fight against social inequalities and cultural education is seen both by the government and private donators as a tool for improving living



conditions. Thus, culture and the arts in France have always been regarded as a sector of important economic weight.

Finally, one last question can come up concerning the subject: What is the future of private cultural patronage in France? As my interviewees believe, we can expect a positive development in the field. The director of the CSR and Patronage department of Crédit Foncier states that this expectation can be based on the fact that NGOs and foundations are becoming more and more professional and enterprises are assured seeing this development and consequently are willing to help (interview made with Blanche Mas-du-Paysac, Crédit foncier, interview made on: 25/05/16). Also, we could only repeat the many advantages donating provides for patrons and receiving organizations as well as the already mentioned positive effects of giving on the long-term successful functioning of enterprises as well as on the social-economic-cultural equilibrium of the whole society.

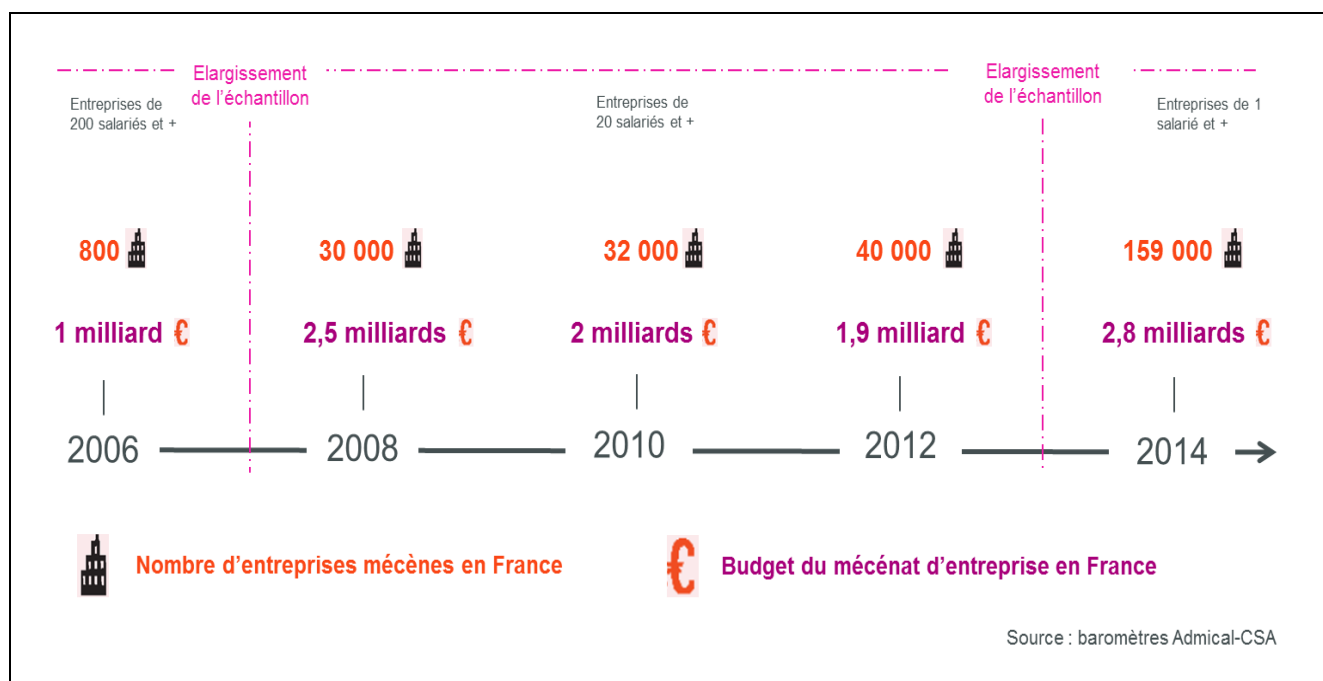
Private cultural patronage is hence essential for economic equilibrium. It strengthens ties between businesses, cultural organization and the greater society. It is thus the state's responsibility to recognize the potential of private donating and its important role in balancing the economy, especially in times of crises as well as to draw the attention of audiences to the many benefits of investing in culture can bring to every actor of the economy. Despite the imperfections, the case of France can be an example for encouraging public policies to the realization of a successful gift economy in the private sector. With the present thesis I hope to be able to highlight a few aspects on the connecting role of culture between social and economic well-being in light of the example of corporate giving in France. Above all, I believe it is the responsibility of the public sector to create an encouraging environment for private cultural patronage which has to realize the importance of giving as a key for long-term sustainability of the donating company, receiving organization and the whole society.

## APPENDICES

### APPENDIX 1 - Figures

**Figure 1** - The evolution of corporate patronage in France between 2006 and 2014 regarding the number of donating companies and their philanthropy budget

Source: [www.admical.org](http://www.admical.org), Accessed: 05/05/16



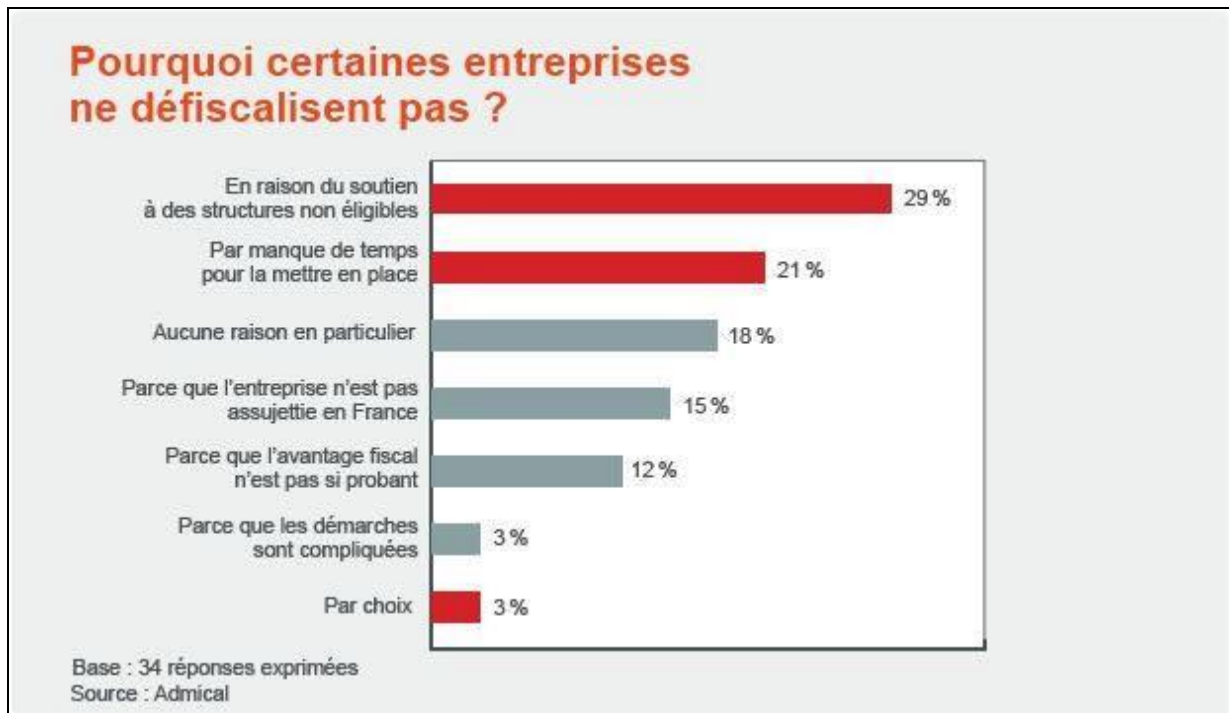
**Figure 2** - Tax deductions of individual and corporate donating in France based on the Aillagon law introduced in 2003

Source: <http://www.culturecommunication.gouv.fr>, Accessed: 13/04/16

Purpose of the donation	Tax system of the company	Tax reduction rate	Tax-deduction ceiling
Donation to an organization of general interest (such as strengthening the protection and the valorization of cultural heritage, the preservation of nature or the diffusion of French culture, language and scientific knowledge.)	Corporate tax or income tax	60 % of the donation amount	Upper limit of 0.5% of the annual amount donated without taxes
Donation in favor of the public acquisition of cultural goods labeled as national treasures or of high interest of national heritage		90 % of the donation amount	In the limit of the 50 % of the tax due
Acquisition of national treasures		40 % of the amount of the acquisition	The limit is reflected in the overall cap on tax reductions

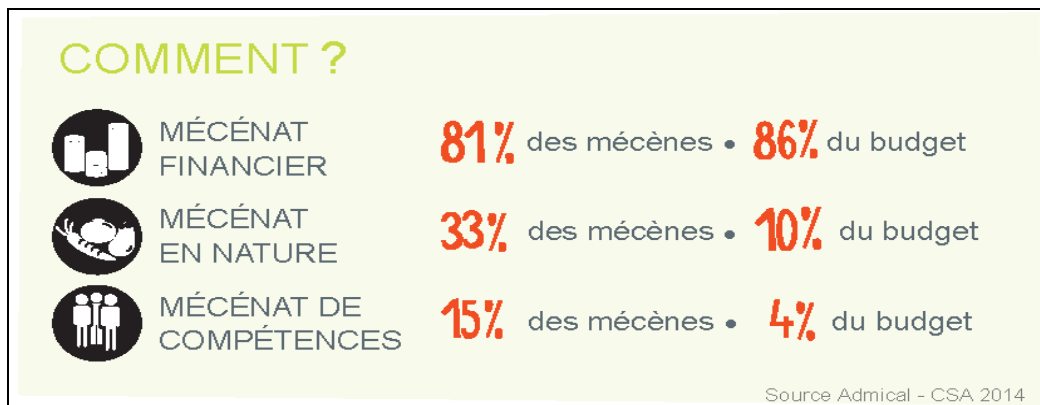
**Figure 3 - Reasons for not benefiting from tax deductions in the case of French companies**

Source: [www.admical.org](http://www.admical.org), Accessed: 04/05/16



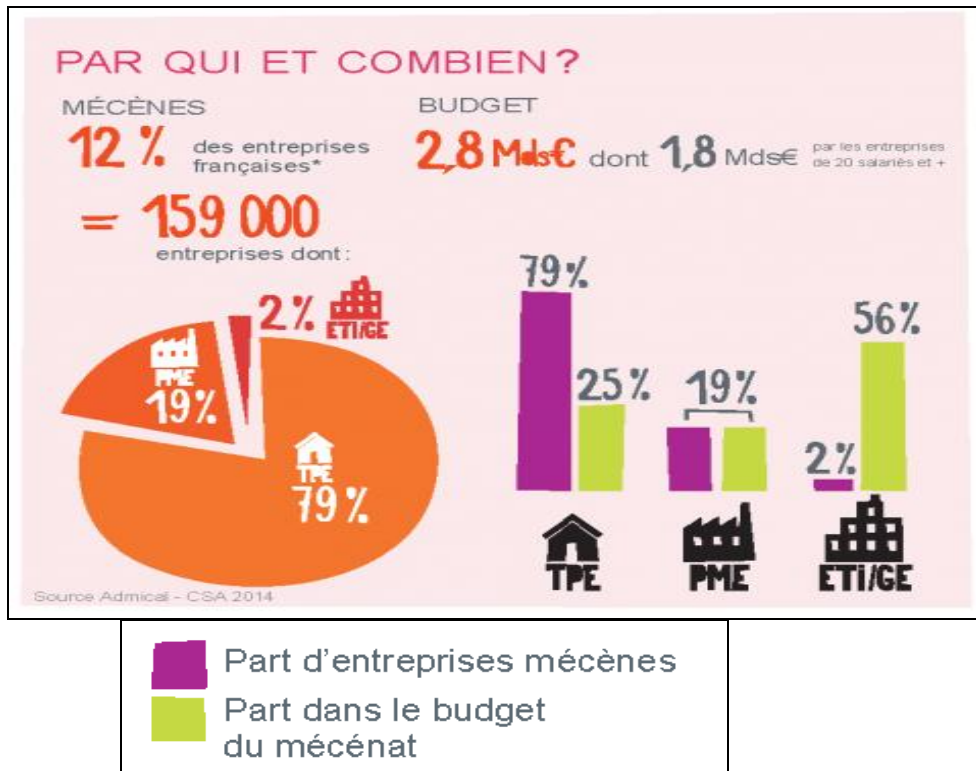
**Figure 4 – Types of corporate donating in France in 2014**

Source: [https://info.gr.am/le\\_mecanat\\_en\\_france](https://info.gr.am/le_mecanat_en_france), Accessed: 22/05/16



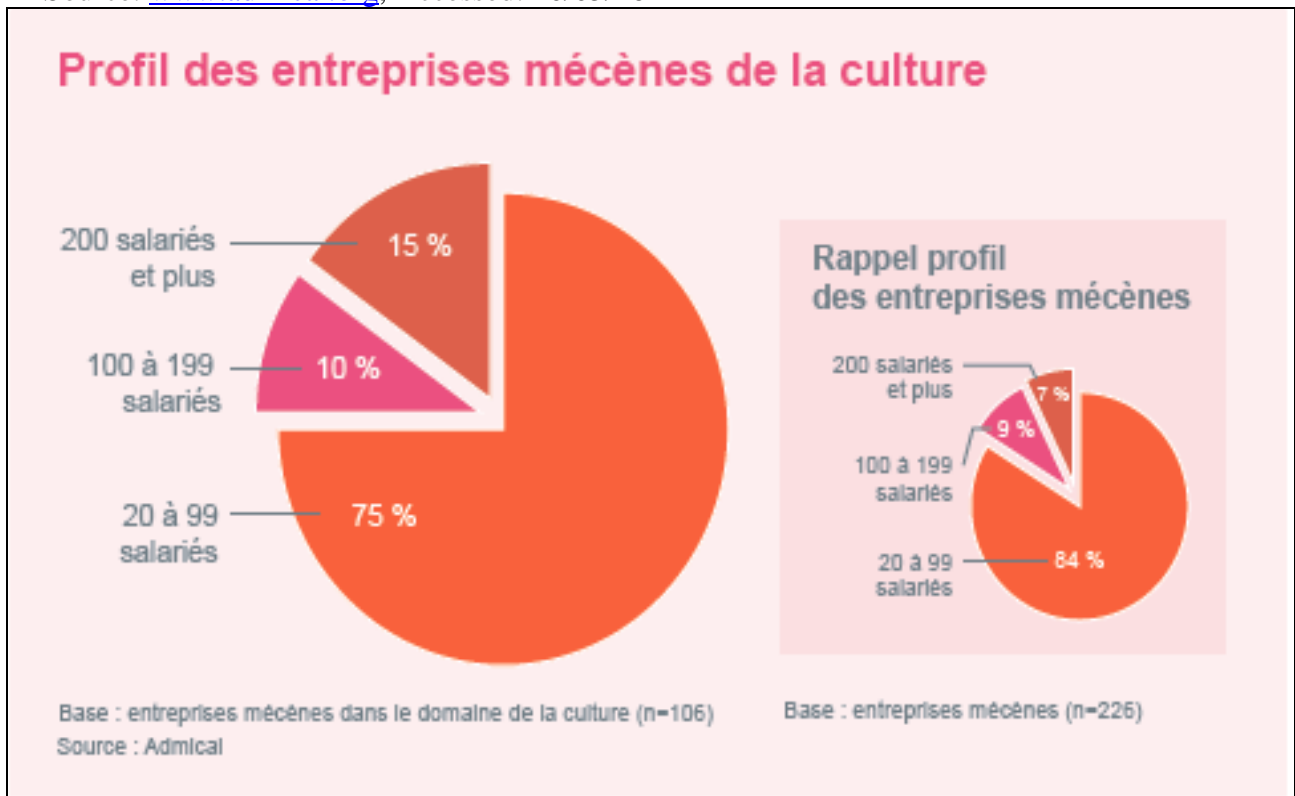
**Figure 5 - Corporate donors in France according to the size of the business**

Source: [www.admical.org](http://www.admical.org), Accessed: 20/05/16



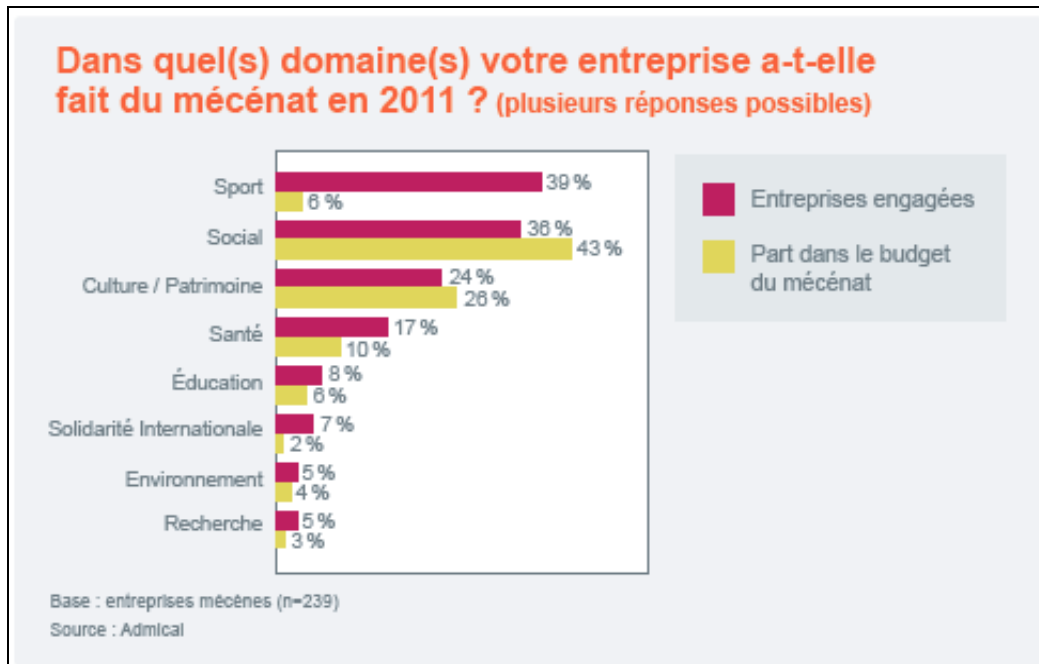
**Figure 6 - Corporate giving to culture in France according to the size of the business**

Source: [www.admical.org](http://www.admical.org), Accessed: 20/05/16



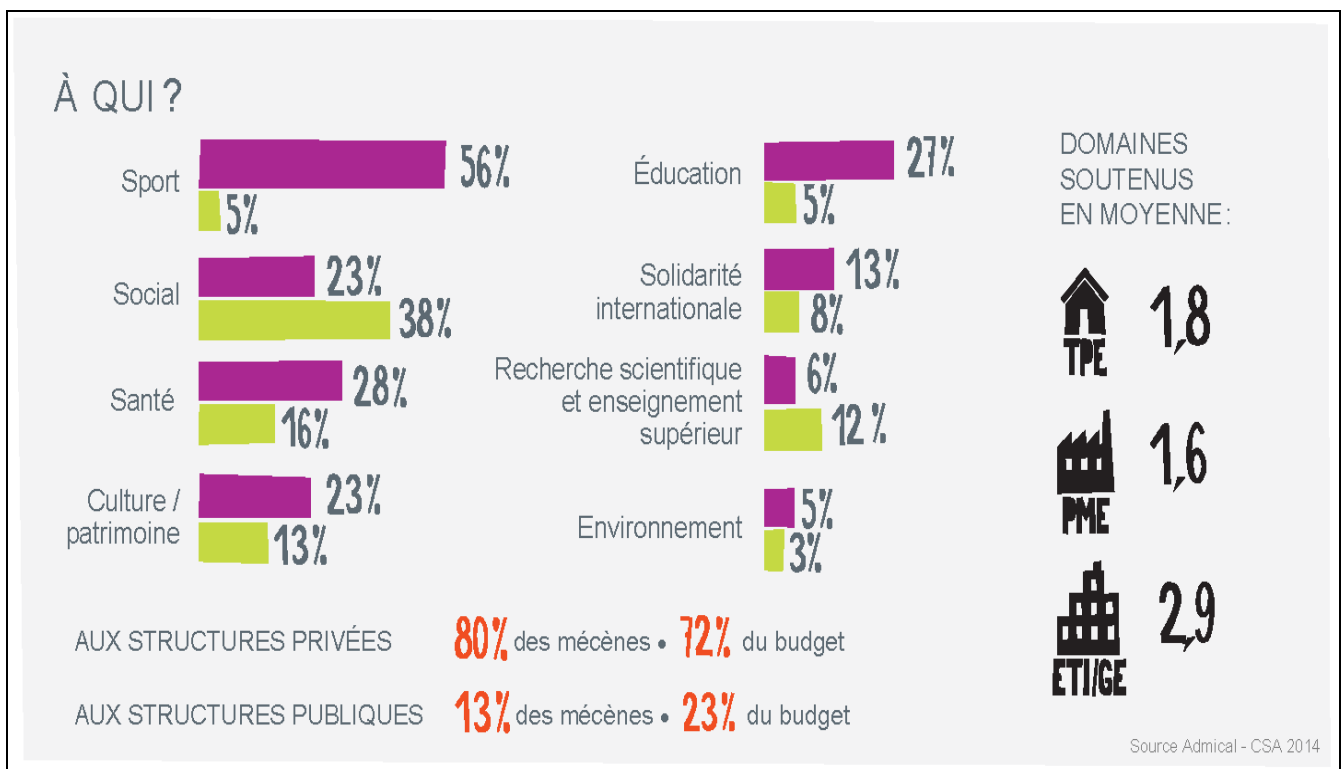
**Figure 7 - Corporate donating in France according to the financed domains, 2011**

Source: [www.admical.org](http://www.admical.org), Accessed: 20/05/16



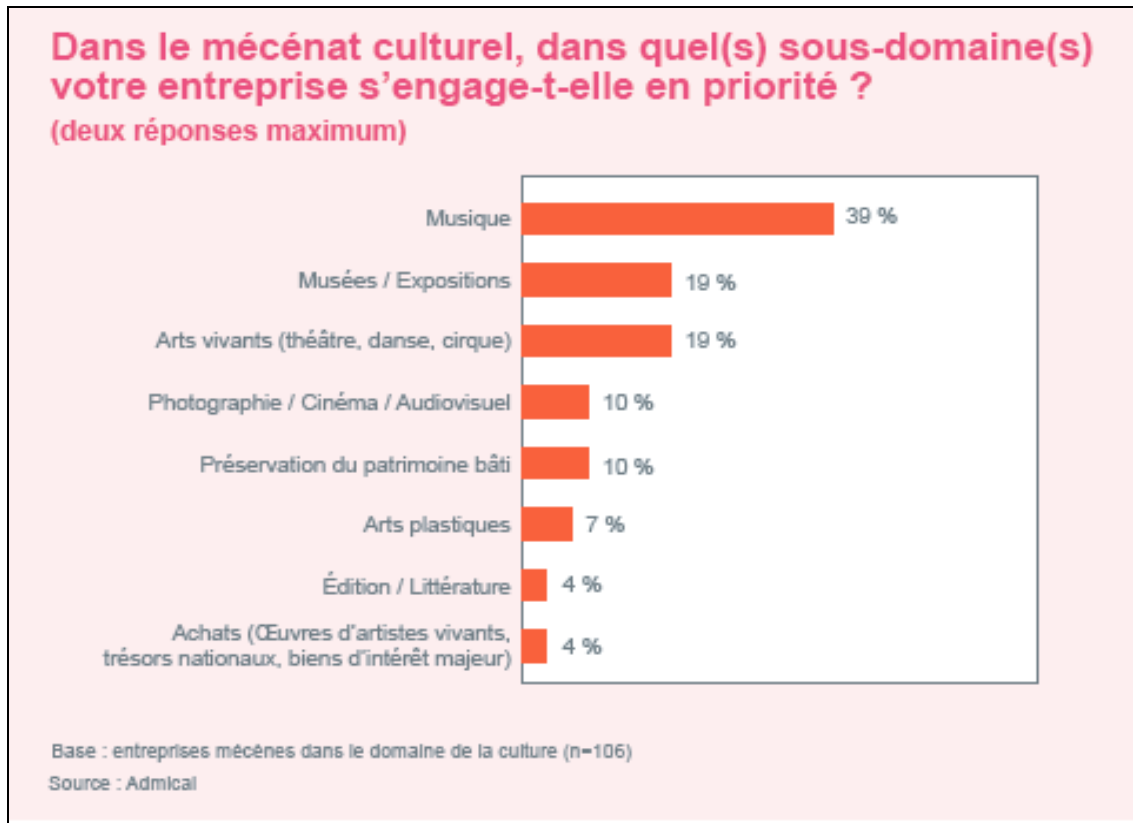
**Figure 8 - Corporate donating in France according to the financed domains, 2014**

Source: [www.admical.org](http://www.admical.org), Accessed: 20/05/16



**Figure 9 – Subdomains in corporate cultural philanthropy in France, 2014**

Source: [www.admical.org](http://www.admical.org), Accessed: 20/05/16



**Figure 10 – French private banks' corporate philanthropy intervention according to the financed cultural and social sectors, 2006**

Source: Fuchs, 2006

Identités	Disciplines culturelles	Secteurs de la solidarité
<i>BNP PARIBAS</i>	musée ; danse ; musique ; nouveaux arts du cirque	international ; éducation ; insertion ; sociale ; lutte contre les exclusions ; handicapés ; santé et recherche médicale ; aide aux projets de solidarité dans lesquels les collaborateurs de la banque sont investis à titre individuel
<i>BANQUE POPULAIRE</i>	patrimoine ; musique ; arts et sciences	handicapés
<i>CREDIT AGRICOLE</i>	patrimoine ; musée ; musique ; théâtre	enfance ; solidarité Tsunami ; solidarité Nord-Sud ; insertion économique ; insertion sociale ; aide au logement
<i>CAISSE D'EPARGNE</i>	patrimoine maritime ; bande dessinée	autonomie personnes âgées ; illettrisme ; handicapés
<i>CREDIT MUTUEL</i>	édition-littérature ; arts plastiques-musée	illettrisme ; éducation-formation
<i>SOCIETE GENERALE</i>	art moderne ; art contemporain ; musique	enfance défavorisée ; éducation / formation ; handicapés ; santé ; international

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## APPENDIX 3 - Interviews

### 1. Interview with Crédit Agricole / Private cultural sponsorship in France

- 1) Combien d'organisations culturelles ou événement culturels sponsorisez-vous actuellement?  
*40 à 50 projets de restauration de patrimoine par an.*
- 2) Pour combien de temps établissez-vous un rapport de mécénat avec une organisation culturelle?  
*I seul soutien (nous versons une subvention, en général au début du projet, pour aider les associations ou collectivités à démarrer. Ensuite elles devront trouver d'autres mécènes)*
- 3) Quelle forme de mécénat est la plus importante pour votre organization: sponsoring/partenariat/donations et pourquoi?  
*Don financier. Le sponsoring ne fait pas partie du mécénat. Il est très important au Crédit Agricole (football...), mais du ressort de la Direction de la communication.*
- 4) Pouvez-vous décrire le procès de sponsoring de votre association? Est-ce que ce sont les organizations qui vous cherchent ou inversement?  
*Je ne m'occupe pas de sponsoring, seulement de mécénat. Le mécénat est désintéressé et sert l'intérêt général (le sponsoring, au contraire, est un outil de publicité)  
Ce sont les 39 Caisses régionales de Crédit Agricole, banques autonomes, qui décident quels projets elles veulent soutenir. Elles soutiennent 10 000 projets d'intérêt général par an, de quelques centaines d'euros à des montants plus importants.  
Lorsqu'un projet est important, elles demandent le soutien de l'une des deux Fondations nationales:*
  - *Crédit Agricole Solidarité Développement pour tout ce qui concerne la solidarité et l'aide à l'insertion économique*
  - *Crédit Agricole Pays de France pour tout ce qui concerne la protection et la mise en valeur du patrimoine.**Dans ce cas, la Caisse régionale verse 50% de la subvention, et la Fondation donne 50% de la subvention.*
- 5) Selon quels critères choisissez-vous les organisations que vous sponsorisez?  
*Elles doivent être des collectivités publiques (communes, établissements public...) ou des associations d'intérêt général.  
Les critères de la Fondation du Crédit Agricole-Pays de France concernent les retombées culturelles, économiques et touristiques pour le territoire local (accès des habitants à la culture et aux animations, attractivité touristique, création d'emploi...)*

- 6) Qui décide dans le processus de sélection?  
*Les Caisses régionales d'abord (voir réponse n° 4), puis le conseil d'administration de la Fondation qui se réunit trois fois par an. Il est composé pour moitié des dirigeants de la banque et pour moitié de personnalités du monde culturel, 1 représentant du ministère de la Culture et 1 représentant du Conseil d'Etat.*
- 7) Comment le gouvernement français promeut-il le mécénat privé? Avez-vous droit à des avantages fiscaux importants pour votre activité de mécénat?  
*Le régime fiscal français est l'un des plus intéressants au monde, depuis 2003. Les entreprises peuvent déduire 60% du montant de leur don.  
 Mais le Crédit Agricole était déjà l'un des plus grands acteurs du mécénat en France depuis plus de 100 ans. Il a toujours considéré que son rôle d'entreprise citoyenne et mutualiste dépassait largement ses activités de banquier.*
- 8) L'activité de sponsoring a-t-elle une influence importante sur l'image de votre établissement? Cela vous donne-t-il plus de visibilité?  
*Le sponsoring, oui, comme la publicité.  
 Le mécénat aussi, mais d'une autre manière. Il s'agit de tisser des liens durables avec tous les acteurs de la société, de les voir dans le cadre d'une action d'intérêt général, qui contribue au « bien vivre ensemble »*
- 9) Trouvez-vous des bénéfices économiques mesurables au sponsoring culturel?  
*Nous ne faisons pas beaucoup de sponsoring culturel (un peu de cinéma, festivals de musique...), surtout du mécénat.  
 Pour le mécénat, les bénéfices économiques ne sont pas mesurables. Nous cherchons à être utiles, à contribuer à la vie culturelle, économique et sociale des régions de France bien au-delà des ratios et additions.*
- 10) Évaluez les bénéfices économiques et non-économiques les plus importants qui dérivent de votre sponsoring culturel.  
*Pour le sponsoring, je n'ai aucune idée.  
 Pour le mécénat, le plus important est que les régions françaises conservent une vitalité culturelle, économique et sociale : des monuments, des musées, des activités pour les enfants, des lieux de convivialité.*
- 11) Quelles sont les facteurs les plus importants pour votre société/fondation gagnés du sponsoring culturel? Mettez en ordre d'importance les concepts suivants:
- a) Bénéfices économiques de long-terme issu du sponsoring de l'organisation choisie,  
*Je ne sais pas, pour le sponsoring  
 Pour le mécénat : les villages restent vivants, les commerces restent ouverts, la France est la principale destination touristique au monde, et pas seulement pour Paris et la Tour Eiffel. La culture et le patrimoine sont l'un des principaux*

*secteurs économiques de la France (devant l'automobile et biens d'autres secteurs).*

- b) Bénéfices économiques de court-terme,  
*Pour les musées, les hôtels, les restaurants, création d'emplois...*
  - c) Publicité pour votre société,  
*Nous ne faisons pas de publicité sur le mécénat. Cela concerne le sponsoring.*
  - d) Possibilité de gagner de nouveaux clients,  
*Il est interdit de faire du mécénat un outil de conquête de nouveaux clients. Le mécénat est désintéressé. Gagner de nouveaux clients est un objectif pour le sponsoring (football...)*
  - e) Etre d'accord avec les objectifs et la mission de l'organisation ou l'événement sponsorisé.  
*La culture et le patrimoine font partie de notre vie, nous les transmettrons aux générations futures.*
- 12) Est-ce que la crise financière de 2007-2008 a eu un effet sur l'activité de mécénat de votre organisation?  
*Aucune. La Fondation distribue les revenus de sa dotation initiale, qui est affectée définitivement au mécénat et ne dépend donc pas de budgets annuels. De plus, le Crédit Agricole pense que plus la situation est difficile, plus le mécénat est nécessaire pour contribuer à la qualité de la vie de la société française.*
- 13) Percevez-vous un changement dans l'activité CSR de votre association des 10 dernières années? (dans le processus, le mode, le nombre des organisations soutenues, le rôle de la culture dans votre programme CSR).  
*Je ne sais pas ce que signifie CSR ? Est-ce ISR ?  
La Fondation du Crédit Agricole a été créée en 1979, c'est la plus ancienne créée par une entreprise en France. Elle a toujours conservé la même politique et les mêmes règles d'activité.  
L'ISR est né récemment dans sa formulation, il y a une dizaine d'années seulement. Bien sûr, le mécénat peut s'inscrire dans le Développement durable et l'Investissement Socialement Responsable, mais les champs sont distincts.*
- 14) Avez-vous perçu un changement durant les 10 dernières années concernant les incitations gouvernementales liées au sponsoring culturel?  
*Pour le sponsoring culturel, je n'ai aucune idée. Il ne me semble pas qu'il soit particulièrement favorisé, c'est une activité de publicité comme une autre.  
Pour le mécénat, en France, depuis la loi de 2003, de nombreuses fondations et fonds de dotation sont nés. Le mécénat se professionnalise. Le gouvernement a vu les bienfaits de cette politique et continue à l'encourager. D'autant plus que les finances des collectivités publiques ont fortement baissé.*

15) Quelle est le futur du mécénat culturel selon vous?

*Aujourd'hui les parties prenantes ont toutes compris l'intérêt de travailler ensemble, par thème, par région... Le public fait appel au privé, les entreprises s'intéressent à leurs régions. Il est vrai que la crise économique a eu tendance au renforcer le mécénat pour la solidarité, parfois au détriment du mécénat culturel.*

*Mais même les associations d'aide aux plus démunis savent qu'il est important d'aller au-delà de la satisfaction des besoins matériels. L'accès de tous à la culture est un grand enjeu fédérateur. Même pour le patrimoine, on voit l'émotion soulevée lorsque des trésors de l'humanité sont détruits lors d'une guerre ou d'une catastrophe naturelle. Le patrimoine est notre richesse à tous. Le Patrimoine de l'Humanité, comme le dit bien l'Unesco. Il contribue à donner une dimension supplémentaire à notre vie. Le mécénat culturel a donc encore de beaux jours devant lui, avec maintenant le soutien des nouvelles technologies.*

## **2. Interview with the Fondation Pierre Bergé - Yves Saint Laurent / Private cultural sponsorship in France**

1) Combien d'organisations culturelles ou événement culturels soutenez-vous actuellement?

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2) Pour combien de temps établissez-vous un rapport de mécénat avec une organisation culturelle?

*Cela dépend et peut varier d'un soutien ponctuel unique (un projet) à des soutiens sur plusieurs années (depuis 1978 la Maison YSL soutient le Festival d'Automne à Paris et la Fondation poursuit aujourd'hui ce partenariat).*

3) Quelle forme de mécénat est la plus importante pour votre organization: sponsoring/partenariat/donations et pourquoi?

*Attention, le sponsoring n'est pas une forme de Mécénat ! La Fondation a uniquement une pratique de mécénat au sens de la base légale (voir loi 2003-709 du 1<sup>er</sup> avril 2003).*

4) Pouvez-vous décrire le procès de sélection des bénéficiaires par votre association?

a) Est-ce que ce sont les organisations qui vous cherchent ou inversement?

b) Selon quelles critères choisissez-vous les organisations que vous soutenez?

c) Qui décide dans le processus de sélection?

*C'est Monsieur Pierre Bergé qui fixe les orientations de la politique de mécénat de notre Fondation. Le service communication/mécénat met en œuvre cette politique.*

5) Comment le gouvernement français promeut-il le mécénat privé? Avez-vous droit à des avantages fiscaux importants pour votre activité de mécénat?

*Oui, voir la loi 2003-709 relative au mécénat.*

- 6) L'activité de mécénat a-t-elle une influence importante sur l'image de votre établissement? Cela vous donne-t-il plus de visibilité?

*Oui*

- 7) Quelles sont les facteurs les plus importants pour votre fondation gagnés du mécénat culturel? Mettez en ordre d'importance les concepts suivants:

- a) Intérêt fiscaux
- b) Améliorer la réputation de votre fondation
- c) Possibilité de nouveaux partenariats, relations avec d'autres organisations et améliorer la relation avec vos clients (networking)
- d) Etre d'accord avec les objectifs et la mission de l'organisation ou l'événement financé.

*b) et d)*

- 8) Est-ce que la crise financière de 2007-2008 a eu un effet sur l'activité de mécénat de votre organisation?

*Non*

- 9) Percevez-vous un changement dans l'activité CSR de votre association des 10 dernières années? (dans le processus, le mode, le nombre des organisations soutenues, le rôle de la culture dans votre programme CSR).

*Le budget mécénat a été réduit en 2014 et la Fondation ne soutient plus que les projets auprès desquels elle a un engagement historique.*

- 10) Avez-vous perçu un changement durant les 10 dernières années concernant les incitations gouvernementales liées au sponsoring culturel?

*Non*

- 11) Quelle est le futur du mécénat culturel selon vous?

*Le mécénat culturel est un outil de développement important pour les structures culturelles aujourd'hui. Son évolution à moyen et long terme montre qu'il ne remplace pas les politiques publiques mais qu'il permet néanmoins à de nombreux projets de voir le jour.*

### **3. Interview with the Fondation Banque Populaire / Mécénat d'entreprise dans le secteur bancaire français**

- 1) Combien d'organisations culturelles ou événements culturels soutenez-vous actuellement?

*La Fondation d'entreprise Banque Populaire soutient des personnes physiques, c'est-à-dire des individus, et non des personnes morales (associations,...), dans les domaines de la musique, du handicap et de l'artisanat d'art. Depuis sa création en 1992, 262 musiciens, 412 personnes en situation de handicap et 22 artisans d'art ont été soutenus.*



*NB : La Fédération Nationale des Banques Populaire nou également des partenariats d'intérêt général mais aucun dans le domaine culturel au sens strict. Il s'agit d'associations dans le domaine de l'entrepreneuriat et de la microfinance et de financements de Chaires de recherches sur différentes thématiques.*

- 2) Pour combien de temps établissez-vous un rapport de mécénat avec une organisation culturelle?

*Nos lauréats ont 3 ans pour utiliser leur bourse. Ils peuvent bénéficier de 1 à 3 bourses.*

- 3) Quel est la forme de financement la plus importante pour votre fondation et quelles sont les raisons pour choisir cette forme?

- a) sponsoring
- b) donations
- c) partenariat

*Il s'agit de bourses, donc de dons.*

*Le sponsoring est un contrat commercial qui ne relève pas de l'intérêt général. Il n'entre donc pas à ma connaissance dans le cadre d'une fondation d'entreprise.*

- 4) Quelle forme de mécénat est la plus importante pour votre organization: mécénat en nature/mécénat de compétence/mécénat associé et pourquoi?

*Mécénat financier / numéraire*

*La Fondation Banque Populaire alloue des bourses à ses lauréats et leur fait profiter de son réseau et de différentes opportunités (participation à des concerts, à des salons professionnels, ...).*

- 5) Pouvez-vous décrire le procès de sélection des bénéficiaires par votre association?

- d) Est-ce que ce sont les organizations qui vous cherchent ou inversement?

*Nous fonctionnons sous la forme d'appels à projets, à raison de 2 par an pour chacun de nos 3 axes d'intervention. Nous recevons donc les projets.*

- e) Selon quelles critères choisissez-vous les organisations que vous soutenez?

*Voir nos dossiers de candidatures sur notre site Internet où les critères de sélection sont détaillés selon les 3 domaines : <http://www.fnbp.fr/-Formuler-votre-demande-d-aide-.html>*

- f) Qui décide dans le processus de sélection?

*Un règlement encadre le processus de sélection de chaque jury. (Dossier + audition pour la musique, dossier + présentation orale pour l'artisanat d'art, etc.)*

*Un jury d'experts dans chacun de ces domaines sélectionne les lauréats. Ses choix sont validés ensuite par le Conseil d'Administration de la Fondation.*

- 6) Comment le gouvernement français promeut-il le mécénat privé selon vous? Bénéficiez-vous des avantages fiscaux importants pour votre activité de mécénat?  
*Ce sont les mêmes avantages fiscaux pour toutes les entreprises françaises.*
- 7) L'activité de mécénat a t-elle une influence importante sur l'image de votre établissement? Cela vous donne t-il plus de visibilité?  
*Elle contribue à véhiculer les valeurs de l'entreprise.*
- 8) Quelles sont les facteurs les plus importants pour votre fondation gagnées du mécénat culturel? Mettez en ordre d'importance les concepts suivants:
- Intérêt fiscaux
  - Améliorer la réputation de votre fondation
  - Possibilité de nouveaux partenariats, relations avec d'autres organisations et améliorer la relation avec vos clients (networking)
  - Etre d'accord avec les objectifs et la mission de l'organisation ou l'événement financé.
- 9) Est-ce que la crise financière de 2007-2008 a eu un effet sur l'activité de mécénat de votre organization?  
*Je ne suis pas en mesure de vous répondre car je ne dispose pas de ces informations.*
- 10) Percevez-vous un changement dans l'activité RSE (responsabilité sociale des entreprises) de votre association pendant les 10 dernières années? (dans le processus de sélection, le type de mécénat, le nombre des organisations soutenues, le rôle de la culture dans votre budget de philanthropie).  
*Je ne suis pas en mesure de vous répondre car je ne dispose pas de ces informations.*
- 11) Avez-vous perçu un changement durant les 10 dernières années concernant les incitations gouvernementales liées au mécénat culturel?  
*La loi Aillagon sur le mécénat datant de 2003 a très certainement favorisé son essor en France.*
- 12) Quelle est le futur du mécénat d'entreprise culturel (dans le secteur bancaire) selon vous?

**4. Transcription of the interview with Blanche Mas-du-Paysac, Director of CSR and Patronage Department of Crédit Foncier, made on: 25/05/16.**

[...]

Interviewer: Alors, tout d'abord combien d'organization soutenez-vous actuellement?

Interviewee: Culturelle?

Interviewer: Oui, culturelle et aussi en général.

Interviewee: Alors culturelle, zéro. Il y a des événements professionnels, mais ça n'a rien à avoir avec le mécénat. Je peux rien répondre à la question en fait.

Interviewer: Si ce n'est pas de mécénat, si j'ai ben compris, alors c'est quel type de financement? Donc je veux dire sponsoring, partenariat ou autre chose?

*Interviewee: Sponsoring.*

Interviewer: Et est ce-que vous avez déjà sponsorisé des organisations culturelles dans le passé ou est ce-que vous envisagez de le faire?

*Interviewee: Alors le sponsoring c'est pas de mécénat, c'est deux choses différentes.*

Interviewer: Oui.

*Interviewee: Donc je sais pas.*

Interviewer: D'accord. Et pour combien de temps établissez-vous un rapport de sponsoring avec une organisation?

*Interviewee: Généralement toutes les conventions sont annuelles.*

Interviewer: D'accord, pour un an. Est ce-que vous pouvez me décrire le procès? Est ce-que se sont les organisations qui vous cherchent ou inversement?

*Interviewee: Alors je voudrais juste le sponsoring n'est pas traité dans le département mécénat*

Interviewer: Oui, je sais je sais.

*Interviewee: Donc, je peux pas répondre a ces questions. Je connais pas l'activité de sponsoring de mes collègues. En revanche par contre la question portent sur le culturel -*

Interviewer: Oui.

*Interviewee: - et nous faisons du mécénat social.*

Interviewer: Oui, oui j'ai bien vu sur votre site en fait ma thèse porte sur le mécénat culturel, j'interroge beaucoup d'organisations et en général aussi ça porte sur le mécénat en France. [...] Est ce-que vous bénéficiez des avantages fiscaux de la part du gouvernement français pour votre activité de mécénat?

*Interviewee: Tout a fait, oui.*

Interviewer: Et est-ce que ces avantages fiscaux influencent votre activité de mécénat, donc est-ce que c'est une motivation principale pour votre activité?

*Interviewee: Non, ça encourage, mais ce n'est pas une motivation principale*

Interviewer: D'accord, alors si c'est pas surtout des avantages fiscaux, alors comment est-ce que vous définiriez les facteurs principaux qui vous incite à l'activité de mécénat ? Donc est-ce que par exemple le fait d'être d'accord avec la mission de l'organisation soutenue, l'amélioration de la réputation de votre fondation ou bien la possibilité de nouveaux partenariats ?

*Interviewee: Alors oui c'est l'image d'abord, ensuite on a plusieurs type de mécénat mais on a un pilier qui est c'est le logement social et on accompagne des associations sur le logement social et les autres types de mécénat. collaborateur c'est pour améliorer on permet au collaborateur de présenter leur association et on les aide financièrement et on leurs donnent quelques jour de congés pour pouvoir aider leur association, ça c'est le mécénat de compétence.*

Interviewer: Vous avez parlé de mécénat de compétence, mécénat en nature, donc quelle est la forme de mécénat qui est le plus important pour vous? Financier, en nature, de compétence, mécénat associé et pourquoi?

*Interviewee: financier dans un premier temps on commence tout juste le compétence, en terme de poids financier c'est tout petit.*

Interviewer: Vous avez aussi mentionnez qu'une des motivations est de gagner plus de visibilité si j'ai bien compris.

*Interviewee: Oui, alors il y a deux motivations : le partenariat qui va améliorer la visibilité, puis il y a le partenariat pour que les salariés soient soutenus, il y a ces deux objectifs principaux.*

Interviewer: Donc vous dites que en fait le mécénat aide à votre fondation d'être plus visible

*Interviewee: Oui.*

Interviewer: Donc est-ce qu par rapport à cette visibilité vous avez la possibilité de gagner plus de clients dans le futur, même si c'est pas une motivation directe du mécénat ?

*Interviewee: Non.*

Interviewer: Est-ce que la crise financière de 2007/8 a eu un effet sur votre activité de mécénat?

*Interviewee: Non, c'est après que la stratégie mécénat a été écrite, donc rien à avoir mais c'est pas. Excusez-moi, je pense que effectivement je me trompe, je recommence. Je cro's qu il y avait un mécénat culturel avant 2007/8 et après 2007/8 je crois que les gens se sont demandé ce que ça voulait dire et on s'est orienté vers un mécénat.*

Interviewer: Et qu'est-ce que vous pensez qu'est-ce qui peut être derrière ce changement d'orientation?

*Interviewee: La direction générale.*

Interviewer: Et est-ce que ça a un rapport avec la crise financière selon vous?

*Interviewee: Oui, je pense.*

Interviewer: Et donc le mécénat, c'est géré dans l'activité RSE de votre fondation, c'est bien ça, si je me trompe pas ?

*Interviewee: Oui, ça fait partie des deux activités que je gère : RSE et mécénat. Et effectivement, le mécénat est un petit partie de la RSE.*

Interviewer: Et est-ce qu'en général dans l'activité RSE de la fondation vous percevez un changement radical dans les 10 dernières années, par exemple concernant le mécénat dans le processus de sélection, le type de mécénat, le nombre des organisations soutenues, le rôle de la culture - vous avez mentionné que c'était un grand changement, mais est-ce que il y a d'autres changements ?

*Interviewee: Non, je crois pas particulièrement.*

Interviewer: D'accord. Et concernant les incitations gouvernementales liées au mécénat, avez-vous perçu un changement durant les 10 dernières années? Ddonc est-ce qu'il y a plus d'incitation qui fait que les fondations financent de plus en plus d'organisations non-gouvernementales?

*Interviewee: J'ai pas l'impression qu'il y a beaucoup de changements, non, je crois pas.*

Interviewer: D'accord. Dernière question: quel est le futur du mécénat d'entreprise concernant la culture et aussi en général ? Donc selon-vous, est-ce qu'on peut attendre a une tendance positive ou est-ce que c'est en diminution?

*Interviewee: Moi, je crois que ça sera plutôt positive.*

Interviewer: Et qu'est-ce qui peut être la raison pour ça?

*Interviewee: Je pense que les associations sont de plus en plus professionnelles, que les entreprises sont rassurées de voir la professionalization des associations.*

Interviewer: D'accord, c'est la professionalization vous dites.

*Interviewee: De se rassurer de l'utilisation des fonds financiers fournis.*

Interviewer: Madame je vous remercie de votre temps et de vos réponses.

*Interviewee: Je vous en prie, une chose encore: le Crédit Foncier n'a pas de fondation, c'est un service comme un autre, comme la communication.*

Interviewer: D'accord, je me suis trompée, c'est pas une fondation. Je vous remercie madame et juste une petite question, est ce que vous donnez votre consentement de publier votre nom ou vous voulez juste mentionnant....

*Interviewee: Ok pas de problème de mentionner mon nom.*

Interviewer: Très bien, merci beaucoup Madame, merci.

*Interviewee: Merci, ça va rester juste dans le cadre de vos études?*

Interviewer: Oui, c'est just pour une thèse de master.

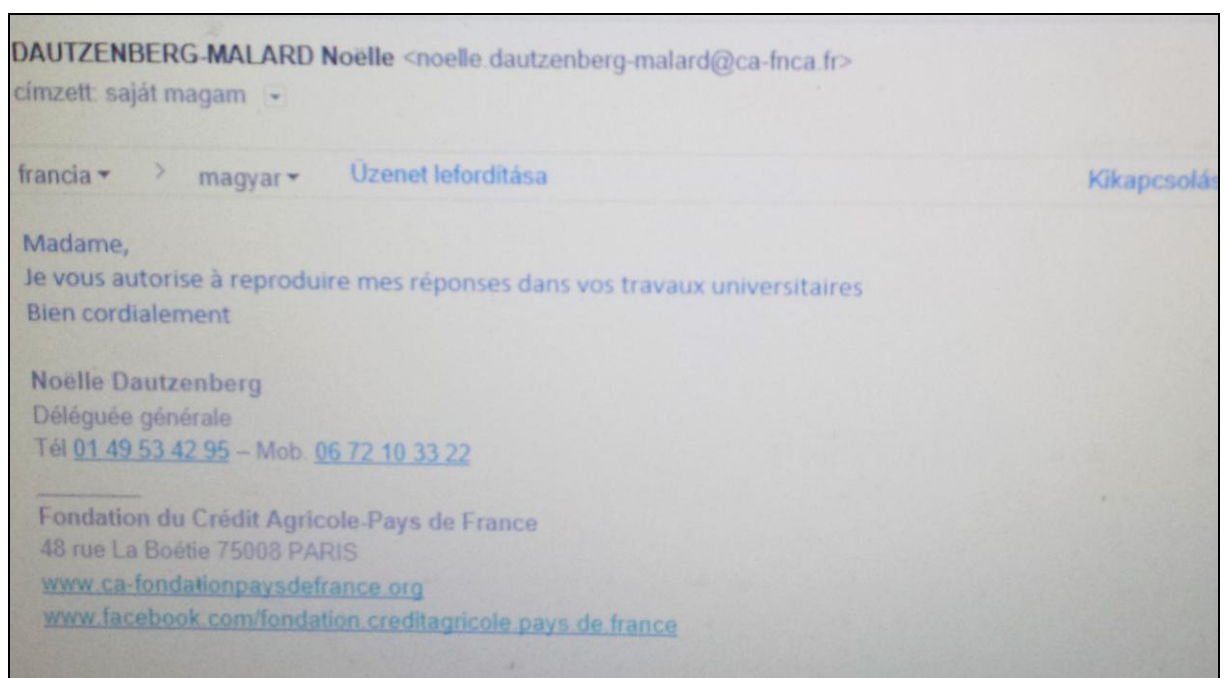
*Interviewee: Pas de problème.*

Interviewer: Merci beaucoup.

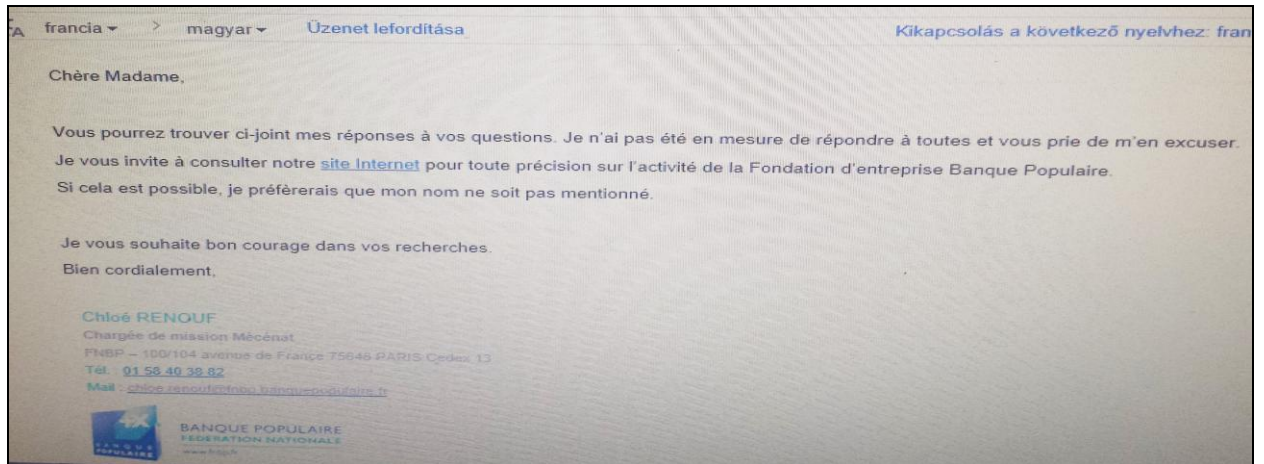
*Interviewee: Je vous en prie, au revoir.*

## 5. Consent letters

### 1. Crédit Agricole



## 2. Banque Populaire



## 3. Fondation Pierre Bergé – Yves Saint Laurent

