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ROLE AND PLACE OF FIRMS IN THE MANAGEMENT OF CULTURAL HERITAGE

Case Studies of Contemporary Art Foundations François Pinault & Louis Vuitton in France

Abstract

This study is set in the French institutional and cultural context where the State and local authorities have strong and multiple roles and missions in the cultural field. Despite the declined Welfare State, France has experienced an important evolution of the legal and fiscal framework concerning patronage and non-profit organizations, giving a new role to citizens. We question the place and role of private sponsors in territorial management of cultural heritage. To do so, we analyze two cases: the project of the François Pinault Foundation to build a museum of contemporary art on Seguin Island, near Paris, and the project of the Louis Vuitton Foundation to launch a museum of contemporary art in The Bois de Boulogne inside Paris. The failure of the first project and the success of the second one will allow us to draw lessons for this kind of public-private initiatives.

SŁOWA KLUCZE: sztuka, kultura, polityka publiczna, zarządzanie terytorialne, mecenat kulturalny

KEY WORDS: arts, culture, public policies, territorial management, cultural patronage

Introduction

“Man is an animal suspended in webs of significance he himself has spun.”¹ As underlined by André Malraux, French Minister of Culture from 1959 to 1969, *strengths of mind, powers of civilizations and religions* have played a founding role in the fate of the world. This strong dialectic tension between past and future creates a need to refer to a common past, common historical sources and ideas. Cultural heritage offers, thus, a possibility to refer to the past and to discover it; a means of understanding various civilizations; a path towards the understanding of others, to-

¹ C. Geertz, *The interpretation of Cultures: selected essays*, New York 1973, p. 5.

wards open-mindedness. The stake is thus to share and develop this common memory to make it fruitful for the future.

To deal with this purpose, this research is anchored in the interplay of public management, arts, patronage and territory. More precisely, this study is embodied in the institutional and cultural French context where the State and local authorities have strong and multiple roles and missions in the cultural field such as producing arts and culture, financing and supporting artists and operators, buying works of art, organizing network and assuming support functions in the sector to structure and professionalize it. At the same time, as many countries, France is characterized, since the 80's, by a declined Welfare State and a progressive disengagement of public organizations from the cultural sector. In parallel, France has experienced an evolution of the legal and fiscal framework concerning patronage and non-profit organizations, giving a new place to citizens. Indeed, since 2003, the Aillagon Law has modified the French mindset of cultural patronage with a liberal law that offers many guarantees. So new actors deserve to be taken into account: cultural patrons.

Having taken note of these various observations, we question the place and role of private sponsors in territorial management of cultural heritage. To do so, we analyze two case studies. The first case is of the François Pinault Foundation and its project to build, in 2005, a new museum of contemporary art on Seguin Island, near Paris. The second case is of the CEO of the French luxury company LVMH, and his project of contemporary art museum in The Bois de Boulogne inside Paris. The first project has failed. The second one has succeed and the museum of Louis-Vuitton Foundation opened to the public in October 2014.

1. Territorial management of private contemporary art museums

1.1. Private contemporary art museums as pieces of heritage

Cultural heritage, as defined by UNESCO, is composed of tangible (movable, immovable and underwater cultural heritage) and intangible heritage (oral traditions, performing arts, rituals).

Europe's cultural heritage, both tangible and intangible, is our common wealth – our inheritance from previous generations of Europeans and our legacy for those to come. It is an irreplaceable repository of knowledge and a valuable resource for economic growth, employment and social cohesion. It enriches the individual lives of hundreds of millions of people, is a source of inspiration for thinkers and artists, and a driver for our cultural and creative industries. Our cultural heritage and the way we preserve and value it is a major factor in defining Europe's place in the world and its attractiveness as a place to live, work, and visit.²

² European Commission, *Towards an integrated approach to cultural heritage for Europe, Communication from the commission to the European parliament, the council, the European economic and social committee and the committee of the regions*, 2014, p. 2.

Considering this multiple added value of cultural heritage, the European States defend preservation, valuation and diffusion of this heritage and need to find modalities for collaborative management. In perpetual evolution, this heritage grows and is enriched by contemporary creation. At the level of the various European territories, cultural heritage can be used to develop multi-dimensional attractiveness. Territories lead strategies of development and attractiveness based in particular on the dynamism of the cultural and creative sector.³

This paper deals with the equipment “accumulated” over time, meaning historic monuments and museums⁴ and more precisely private contemporary art museums. As explained by Bosseboeuf⁵ a particular place is reserved for patrimonial institutions and especially for territorial museums to play a leading role in territorial attractiveness and cohesion. Private actors are these “benefactors” whose role is situated halfway between sharing their fortune by assuming public missions instead of government and being patrons of the arts in the style of Medici, Borgia or Peggy Guggenheim.⁶ These private institutions represent both cultural heritage as an architectural project and an institution bringing an answer to the heritage management. “Since the cultural equipment is considered as a major instrument of territorial valuation, the museum became the central pattern of a new paradigm of urban action. This paradigm also involves an urban project, a renowned architect, an art lover who makes donation of its collection.”⁷ These projects enjoy the success of past numerous adventures, such as the Guggenheim museum in Bilbao, and emphasize “an understanding (even a fantasy) widely shared about the stakes and interests expected by such projects.”⁸ Heritage management at a territorial level incorporates, thus, cultural issues, but also economic, social and political dimensions.

1.2. Project management and governance

Considering the multiple added value of cultural heritage, collaborative management must be implemented at various territorial levels to ensure its creation, preservation, valuation and diffusion. Indeed, the management of cultural heritage concerns many various stakeholders from public, private and non-profit sectors. The territorial governance of the two studied projects is characterized by the combination of var-

³ E. Soldo, C. Arnaud, O. Keramidis, *Direct control of cultural events as a means of leveraging the sustainable attractiveness of the territory? Analysis of the managerial conditions for success*, “International Review of Administrative Sciences” 2013, Vol. 79, No 4.

⁴ See: F. Lucchini, *La culture au service des Villes*, collection Villes, éd. Economica, Paris 2002.

⁵ C. Bosseboeuf, *Les musées territoriaux: un enjeu de structuration et de développement des territoires?*, ASRDLF 2013, p. 3.

⁶ N. Seni, *Le mécène, un acteur méconnu de la ville*, “Transcontinentales” 7/2009, document 6 [access: <http://transcontinentales.revues.org/374>].

⁷ *Ibidem*.

⁸ E. Vivant, *L'instrumentalisation de la culture dans les politiques urbaines: un modèle d'action transposable?*, “Espaces et sociétés” 2007, Vol. 4, p. 131.

ious institutional proximities that associate heterogeneous key actors: with different status (public / private), roles and interests, among which there are also organizations from the associative and cooperative world.⁹ In a project of contemporary art museum, two main kinds of stakeholders defend their role, place and interest: public organizations and cultural patrons.

The Aillagon law is based on a strong idea: “citizens must be completely able to take an active part in the life of the City.”¹⁰ Concomitantly, the phenomena of corporate social responsibility and the development of patronage show that “the general interest also became the affair of the company.”¹¹ So foundations participate in a mission of general interest and, actually, in a mission of public character. Beyond simple managerial rationality, these organizations also join social rationality in what they answer a social need not – or little – satisfied.¹² At the same time, foundations can be a cover for projects proposed by entrepreneurs-sponsors for whom to collect and to donate constitute major social markers that are imperative. The territorial competition is thus coupled with the competition between these “benefactors.”¹³ In addition, this law has created tax incentives to encourage cultural patronage and philanthropy, new conditions for creating firm foundation and enhance multiple managerial advantages: internal & external image, marketing, networks, etc.¹⁴

Public organizations try, through these projects, to strengthen territorial attractiveness on a globalized contemporary art marketplace. The presence of territorialized resources and assets (thus specific to the territory), is the key tool used in this new kind of competition which territories have to face.¹⁵ Territories thus have to set up new forms of “local differentiated regulations” to propose an “offer of territorial specificities.”¹⁶ Indeed, the market of the contemporary art institutions establishes a real place of globalized and esthetic capitalism.¹⁷ It requires, on behalf of territories, strategies to welcome and maintain cultural equipment of international level. “Globalization, far from any kind of standardization, shaping a hypothetical homogeneous world, constitutes a movement which finds its foundations in the assertion

⁹ G. Colletis, P. Gianfaldoni, N. Richez-Battesti, *Economie sociale et solidaire, territoires et proximité*, RECMA 2005, p. 13.

¹⁰ B. Vial, *Mécénat, associations, fondations: la loi du 1^{er} août 2003*, Regards sur l’actualité, La Documentation Française, 2004, p. 45.

¹¹ I. Petit, *Crise et prise en charge de l’intérêt général par l’entreprise: l’exemple des fondations d’entreprise*, Working Paper Series IPAG Business School, 2014, p. 1.

¹² D. Harrisson, *Analyser les théories pour comprendre l’innovation sociale. Pour Une Nouvelle Mondialisation: Le Défi D’innover*, 3^{ème} colloque international du Crises, Montréal 2011.

¹³ N. Seni, *op.cit.*, p. 127.

¹⁴ S. Piquet, J.M. Tobelem, *Les enjeux du mécénat culturel et humanitaire*, “Revue française de gestion” 2006, Vol. 8.

¹⁵ J. Longuépée, *Dynamiques territoriales et gestion des inondations: une approche en termes de «proximité»*, “Journées d’études «les territoires de l’eau»” 2004, 26 mars, Arras, p. 3.

¹⁶ G. Colletis, B. Pecqueur, *Intégration des espaces et quasi intégration des firmes: vers de nouvelles logiques productives?*, “Revue d’Economie Régionale et Urbaine” 1993, 3, p. 490.

¹⁷ J.M. Tobelem (dir.), *Les bulles de Bilbao. La mutation des musées depuis Frank Gehry. Collections B2*, 2015.

and valuation of the differences.”¹⁸ The aim is to build a common destiny between an organization and a territory and create the idea of a common construction, cofounded learning based on the coproduction of resources.¹⁹ The difficulty appears when cultural patrons look mainly for the development of an international strategy even before having anchored locally their project.

To discuss the governance of these projects, we can refer to the following typology:²⁰

1. **Public or Institutional Governance:** The key stakeholder in the territorial project coordination is a public organization / institution or a collection of public organizations.
2. **Private Governance:** The key stakeholder in the territorial project coordination is a private organization (firm, NGO, association, foundation...).
3. **Mixed or Partnership Governance:** A middle way between private and public governance.

Let us see how do these two firms deal with the missions of contemporary creation support, cultural heritage preservation, valuation and diffusion through the creation of a private contemporary art museum? How can they be anchored at the local and international levels? How can we describe their relations with public entities?

2. François Pinault & Louis Vuitton Foundations: Is Paris interesting for this kind of projects?

During the 2000s, two French collectors of contemporary art launched two projects. François Pinault on one side and François Arnault on another side wanted to build their own private museums to host their important collections of contemporary art.

2.1. The François Pinault Foundation project

Francois Pinault is a French industrialist and businessman, founder of Kering Group (a world leader company in the clothing sector, luxury and accessories). François Pinault is one of the leading collectors of contemporary art in the world. He is considered to be the first collector in France with a personal collection estimated at \$ 1.4 billion.

¹⁸ J.B. Zimmermann, *Entreprises et territoires: entre nomadisme et ancrage territorial*, “La revue de l’IRES” 2005, Vol. 1, 47, p. 21.

¹⁹ *Ibidem*, pp. 22–23.

²⁰ J.-P. Gilly, J. Perrat, «La dynamique institutionnelle des territoires: entre gouvernance locale et régulation globale», *Cahiers du GRES*, 2003-5, mai, 14 p.

In the early 2000s, François Pinault launched a project of a contemporary art foundation to install his personal collection. The building that was to host the foundation was planned to be built on the “Seguin Island.” This Island, located near Paris, belonged to Renault Company and housed historic plants of the company. Since 1989, when Renault announced the closure of its historic factory, Seguin Island had been at the heart of a vast development project. Seguin Island is a major industrial and memorial heritage. The Renault factory located at Seguin Island is one of the most important symbols of the workers’ struggles in France.

François Pinault negotiated directly with the CEO of Renault to acquire part of the Seguin Island. In 2001, following an international competition, François Pinault chose the architectural project made by a Japanese architect Ando. This architectural project was presented as a “big spaceship floating on the waters of the Seine.”²¹ The building was to be delivered in 2006 and its cost was estimated at € 150 million.

For François Pinault, this prestigious equipment had to welcome his important collection of contemporary art, consisting of a thousand pieces of paintings, sculptures, photographs and video records of major artists of the second half of the twentieth century. François Pinault said:

I wanted a museum that transcends fashions and falls within the duration (...). I want both a cathedral and a Romanesque church, monumentality and recollection (...). This is to make the lighthouse museum in Europe with regard to contemporary art (...). The state has a role to play, but compared to a public museum, a collector may have significantly faster reactions when it comes to making a purchasing decision.²²

The municipality of Boulogne-Billancourt (where Seguin Island is located) was not directly associated to the Pinault Foundation project. However, the municipality welcomed the project positively. The project of the foundation was seen as a “locomotive” for the entire development project of the Seguin Island. The municipality acquired the remaining land of the Island. An important urbanistic project was launched by the municipality with the concept of “Island of the two cultures”: a section dedicated to art and another section dedicated to science with various public projects.

To speed up the Pinault Foundation project, the municipality of Boulogne-Billancourt accelerated the administrative procedures for the urbanistic development. The overall project required a new “local development plan” (PLU). The project also required important works to clean up the industrial site, and significant infrastructure (transport, bridges, roads...) which needed funding.

In 2002, some media echoed with rumors about the abandonment of the François Pinault project. The architectural project was lowered: to 32,000 m² instead of 40,000 m². In September 2004, The “Art Newspaper” entitled “Will the Pinault Foundation come?” François Pinault denied all these rumors. Meanwhile, many residents’

²¹ [Access: http://www.la-croix.com/Archives/2001-10-26/Tadao-Ando-construira-le-musee-d-Art-contemporain-de-Francois-Pinault-_NP_-2001-10-26-143876].

²² “Le Monde”, December 8, 2000.

associations were against the project of urbanistic development of the Seguin Island and its surroundings (but not the François Pinault museum project). Law actions were conducted against this project. However, in April 2005 an agreement was reached between the municipality and the associations. According to the mayor of Boulogne-Billancourt, the main barriers to the installation of the Pinault Foundation were removed. However, the other projects planned on the Seguin Island remained stalled and funding of these projects was still uncertain.

In April 2005, François Pinault announced that he had acquired the Palazzo Grassi in Venice. In May 2005, he announced that he abandoned the plan to install his foundation on the Seguin Island and that he chose Venice and Palazzo Grassi to install his collection of contemporary art. In an article published in the newspaper “Le Monde”, François Pinault denounced “the administrative stalemate” and the uncertainties of the urbanistic plan. He then justified his decision to abandon the project:

The time of administration is the time of procedures, the endless patience that accommodates inertia, questionings or budgetary policies, a resignation in the face of the burdens, the months in addition to semesters leading to years of delay, in short a consistency without passion. Eternity is the time of art, not the projects that want to serve it²³.

2.2. The Louis Vuitton Foundation project

In October 2006, Bernard Arnault, CEO of LVMH, the world leader of luxury goods, announced the launch of the Louis Vuitton Foundation. This Foundation was to house the contemporary art collection of Bernard Arnault, the richest man in France and a major collector of contemporary art. According to Bernard Arnault:

This foundation aims to spread culture and to highlight France in the world; this is not yet another contemporary art foundation [...]. [It is] to provide all collections and the entire archive of all LVMH brands to attune art and its roots. Contemporary art will be connected with more modern and classical art²⁴.

The Foundation was planned to be installed on the site of the Garden of Acclimatization in the Bois de Boulogne in Paris. The announcement of the project was made in the presence of the French Minister of Culture, Renaud Donnedieu de Vabres, and the Mayor of Paris, Bertrand Delanoë.

The design of the building that houses the foundation was entrusted to a Canadian architect Frank Gehry. Frank Gehry is known as the architect of the Guggenheim Museum in Bilbao. The architectural project of LVMH Foundation is monumental. On an area of 6,000 m², Frank Gehry envisioned a spectacular building of,

²³ «Ile Seguin: je renonce», by François Pinault, Lemonde.fr, May 10, 2005. Le temps d'un entrepreneur, c'est celui de son existence, de son âge, de son impatience à concrétiser son rêve.

²⁴ AFP news, October 2, 2006.

a boat-like vessel with glass sails. The architectural project budget was estimated at € 100 million. The mayor of Paris warmly welcomed the project seen as a “huge gift to Paris.”²⁵

However, the project required the approval of the municipality of Paris, which owned the land on which the museum was to be built. To allow the construction of the museum, the municipality took several initiatives including a change of the “urbanistic local plan.” The museum opening was scheduled for 2009, but it would only be launched in October 2014. The project faced technical constraints due to the originality of the shape of the building. The project also faced widespread opposition from several residents and environmental associations in the name of environmental preservation and historic heritage.

A lawsuit was conducted by the “Coordination for the Safeguarding of the Bois de Boulogne” to prevent the construction of the building. To avoid getting bogged down in legal terms, several members (from both left and right political parties) laid a parliamentary amendment that validated the building permit granted by the municipality to the Louis Vuitton Foundation. According to the deputy who launched this initiative, the amendment was motivated by the “enrichment of the national cultural heritage” allowed by this new museum.

Finally, the Louis Vuitton Foundation museum was inaugurated in October 2014, attended by the President of the French Republic, Francois Hollande. The President welcomed this “miracle of intelligence, creation and technology [...], the cathedral of light, [...] a growing cloud that is registered in the Paris sky” while claiming that “culture is a great democratic ambition [...] but it is also a powerful factor of attractiveness for our country.” The President also paid tribute to Bernard Arnault and his donation program that “allows us to offer contemporary art for all to see.”²⁶

3. Lessons to be learned from these case studies

Seni emphasizes various dimensions of these projects: an urban project, a renowned architect and an art lover who is, at the same time, a cultural patron. Because of the fantasy widely shared about positive impacts of these projects²⁷ and considering these two private contemporary art museums as territorial projects, we discuss three dimensions as presented in the following figure.

²⁵ «Encore un super musée pour Paris», Leparisien.fr, October 3, 2006.

²⁶ «François Hollande inaugure la Fondation Louis Vuitton», LesEchos.fr, October 21, 2014.

²⁷ E. Vivant, *op.cit.*

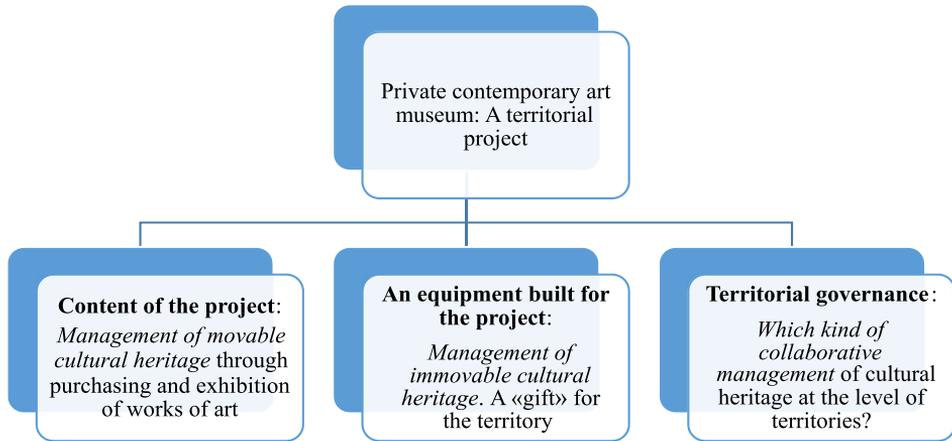


Figure 1.

Source: own research.

3.1. Content of the project

First, there is very little information about the works of art that composed the private collections. It means that movable cultural heritage that will be preserved and valued inside the foundation has not great importance in the elaboration of the project between cultural patrons and local authorities. The second point deals with the reconfiguration of cultural heritage. Thanks to these projects, personal heritage owned by patrons can become shared heritage, available for public. However, at the same time, these foundations, by the visibility that they give to certain artists and by the acquisitions of works, influence the coast of the artists and thus the evolution of the market. This market evolution can benefit directly to patrons during the resale of works of art from their collections and indirectly by valuing the value of their personal collections. In addition, we can consider that foundations become an additional shape of symbolic domination of the Establishment on a globalized contemporary art marketplace.

To conclude, the study also shows that there is no cooperation with other local institutions. These projects thus enhance competition instead of creating new territorial resources. These projects do not seem to be anchored on the territory: there is no collective dynamic with the others cultural operators to produce a territorial reflection on management of movable cultural heritage.

3.2. An architectural project

The architectural project appears as the key dimension of these two projects. The purpose is to build a modern architectural project to enhance the ancient cultural heritage in the case of the Seguin Island. The greatest contemporary architects are invited to conceive the projects that symbolize capitalism as well as sponsors' power and reputation. For public authorities, it appears as a tool for urban dynamism and a new set of local cultural heritage. There is a real paradox in speeches of the political elected representatives that consider Louis Vuitton Foundation as a «gift» to the territory. Indeed, it is partially paid by the State through the incentive taxes.

3.3. Territorial governance

Considering the two cases studies, territorial governance can be characterized as mixed governance of the project, with the domination of private interests. Indeed, on the one hand this is a public decision (public policy) which allows creation of foundation with public incentive. Beyond the national policy, we observed a real intervention of local authorities to make the projects successful.

However, in reality, these two projects are characterized by local public authorities without any real power because of the strong competition on a global market place. Considering these projects of private contemporary art museum as gifts, it is difficult to co-construct these territorial projects and to challenge, for example, the choice of implementation, the architectural project or the urban infrastructures... Individual interests seem more important than general interest: who speaks about cultural democratization, or territorial anchoring of the project (relevance in the existing cultural offer, partnerships)? Is it in line with a local social demand? Personal relations, political and economic power of patrons and their proximity with public elites constitute key factors of success.

Conclusion

We have demonstrated in these two case studies, that governance of a private project that has a territorial dimension is forced by the strong competition on the global market place. If the local authorities do not agree and/or do not support the project, the private entrepreneurs will go elsewhere to launch their project. There is no real co-construction. The decisions were not discussed with public organizations to enhance the positive impacts in this private project. Yet, it could be a chance for territorial innovation in a state that tries to define and implement a new mindset in the cultural field since the 80' (New Public Management). Producing territorialized knowledge has become a central stake, and expertise, one of the major support activ-

ities for public decision and implementation of policies.²⁸ These projects could lead to these positive impacts if mixed-governance is implemented to guarantee collaborative management at the territorial level and ensure roles and missions necessary to manage cultural heritage (protection, valuation, diffusion...). To conclude, the stake is to manage the tension between necessary territorial anchoring (to create specific resources, value the location and produce positive impacts) and a strategy of international development (helpful for the firm).

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²⁸ T. Berthet, *Les enjeux de l'évaluation territoriale des politiques publiques*, "Informations sociales" 2008, 6.