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National Endowment for the Arts: News Articles (1980): Article 04

Federal Arts Establishment:

Savvy Arts Endowment Planning Bright Future

Grand Rapids got an Alexander Calder sculpture for its downtown. Ohio's Wooster College got a classical pottery display. The Dallas Symphony got new instruments.

These cultural gifts are just a handful of an expanding number of projects subsidized by the federal government through the National Endowment for the Arts (NEA). The endowment has mushroomed since it began in 1966, when it had only $2.5 million to spend. In fiscal 1979, the endowment's appropriation had swelled to $149.4 million — almost a sixtyfold increase.

The Carter administration's fiscal 1980 budget request for the NEA marks the first tapering off of its remarkable growth. Congress is being asked for only a 3 percent hike, to $154.4 million, for the agency *(Chart, p. 467)*

The politically wise and congressionally popular NEA is not expected to suffer from fiscal austerity for long, however. While hardly advertising the fact, NEA officials believe that the endowment will resume its former rate of growth in the near future.

"We make no assumption that federal spending for the arts should plateau for any reason," said Phillip M. Kadis, the agency's director of policy development, who is working on a five-year plan for the NEA likely to be released in April. The plan will be used by the endowment when it goes to Congress for reauthorization later this year. Its sister agency, the National Endowment for the Humanities, also is up for its four-year reauthorization.

The NEA has in the past used renowned artists and entertainers to support its program and intends to do so in the future, when it seeks to begin escalating its appropriations again.

"The austere period will be with us for some time," said Livingston L. Biddle Jr., NEA chairman. "But then they [Congress] have not yet been fully exposed to the arts community and its priorities."

The Senate Interior Appropriations Subcommittee received a sampling of this big-name backing March 5 when Martha Graham, the famous dancer, appeared to deliver an eloquent endorsement of the endowment. "I know very well what it is to scrub my own studio floors," she told the senators and credited the NEA with enabling her to keep her company going.

Although Biddle and Kadis will not provide details about future spending plans, one source said the NEA wants to have a minimum $250 million yearly appropriation by fiscal 1984. When asked about that figure, Biddle said he believed it would be "more than that."

Such an ambition is realistic, onlookers say, in light of the current popular appeal of the arts and — perhaps even more important — because of the political savvy of the NEA.

The politically astute Biddle has allowed just a minimal budget increase for the next fiscal year to avoid giving NEA critics an opportunity to raise objections, in the view of one longtime agency associate. Among the most prominent detractors is Sen. William Proxmire, D-Wisc., who promised "a long and strenuous fight" if the endowment sought one of its customarily huge budget boosts for fiscal 1980.

—By Larry Light

Background

Created in 1965 by Congress (PL 89-209), the arts endowment has distributed almost $600 million in federal funds to individuals, state and regional arts agencies and non-profit organizations. Grants are channeled to a wide variety of fields: architecture, dance, education, folk arts, literature, art museums, radio, television, film, theatre and visual arts. *(NEA authorization, Congress and the Nation, Vol. II, p. 722)*

The average NEA award in fiscal 1978, not including challenge grants, was $15,000. The average fellowship was $7,500. The average challenge grant was $225,000.

NATIONAL ENDOWMENT FOR THE ARTS

NEA grants are not easy to get. In fiscal 1978, 18,000 applications were received but only 4,000 were accepted.

Selections are made by panels of experts assembled for each field. The panels are composed of artists, arts administrators, state arts board members, critics and others. After initial screening by the panels, final decisions are made by the 26-member National Council on the Arts.

Except for fellowships to individual artists, all NEA grants must be matched by local or state funding or private contributions. There are three kinds of grants:

- Regular, in which one federal dollar is matched by one from another source. It is NEA's largest fund, and would be decreased slightly under the fiscal 1980 budget request, to $97 million from $102.1 million this year. Twenty percent of this category must go to state or regional arts agencies, which are upset because the budget decrease in the regular fund spells less federal money for them.
- Challenge, in which one federal dollar is matched by three private ones. This, too, is being reduced under the budget request — from $30 million in fiscal 1979 to $26.9 million in fiscal 1980.
- Treasury, in which three grantors are involved instead of two — with each federal dollar matched by one private dollar and two dollars from another source. This is the only fund slated for a boost in the fiscal 1980 budget request. It would go from $7.5 million this year to $20 million in fiscal 1989.

The proposed increase in treasury grants has disconcerted some in the cultural world. Treasury and challenge

Performers of the North Carolina Dance Company, one of the many groups receiving federal funding through the National Endowment for the Arts.

money favors large institutions, like New York's Metropolitan Museum of Art, which have the resources to attract substantial private donations, according to the complaints.

NEA officials respond that fiscal 1980's emphasis on treasury grants is wise in a time of austerity. The endowment will get more mileage for its money by requiring more matching funds, they argue.

Support of Arts Strong

The NEA's Biddle has pointed out that financial support for the arts is expanding steadily, creating new opportunities for artists to receive backing from a variety of sources.

According to the Business Committee for the Arts, corporate gifts increased by 10 times in the decade following 1967, reaching $250 million during 1977.

The federal government, meanwhile, aside from the arts endowment now directly subsidizes between 8,000 and 10,000 artists and art administrators through the Comprehensive Employment and Training Act (CETA). Paying museum personnel, orchestra performers and art teachers for the elderly are a few of the ways that an estimated $100 million in CETA funds were spent for this purpose in fiscal 1979.

Dick Netzer, a New York University economist, estimated in 1977 that federal, state and local governments furnished arts organizations with $300 million yearly, up from $22 million in 1966.

Although this may sound like a lot, government subsidization of the arts is much greater in many European countries with smaller populations than the United States. France, for instance, last year spent $566 million in public funds for the arts.

The surge in subsidizing the arts is widely attributed to an explosion of public interest in cultural matters.

Some 15 million persons were attracted by modern dance and ballet in 1977 — more than the 11.6 million persons who attended National Football League games that year. Small ballet, theatre and orchestral groups have blossomed all over the country outside urban areas. The King Tut exhibit brought out hundreds of thousands in cities across the nation to view ancient Egyptian art treasures.

NEA's Political Savvy

While artists may have an ivory tower image for impracticality, the people who administer their federal funds are decidedly attuned to down-to-earth political realities.

Nancy Hanks, Biddle's Republican predecessor, became a legend for her ability to win over members of Congress with her southern charm and authoritative command of her subject. A longtime Rockefeller family employee, she knew how to marshal powerful connections to further her organization's cause.

Long History of Federal Support for the Arts

Federal support for the arts dates from early in the 19th century. The 14th Congress in 1817 commissioned John Trumbull to paint four Revolutionary War scenes to hang in the rotunda of the Capitol, burned by the British in 1814. Between 1817 and 1865 nineteen artists were employed by the government to redecorate the building.

Federal employment of foreign artists sparked discontent within the American art community and led to creation of a national art commission in 1858. It lasted less than two years. Responsibility for acquiring art for the Capitol was not centralized by Congress again until 1910. Supervision in this area was given to the National Commission of Fine Arts (now, the Commission of Fine Arts).

An 1846 act incorporating the Smithsonian Institution included the establishment of an art gallery — initially made up of donated art collections and gifts. The National Gallery of Art and the Collection of Fine Arts were formed later as a result of donations by Andrew W. Mellon, the Pittsburgh financier.

Depression Era

President Franklin D. Roosevelt's Depression-era New Deal plan brought new federal employment of artists. Under the Civil Works Administration (CWA) — an emergency employment agency created in November 1933 — several thousand artists, writers and performers were given jobs to alleviate massive unemployment.

Federal subsidization of the arts continued to grow through "Project No. 1" of the Works Progress Administration (WPA). The WPA was created by Executive Order May 6, 1935, to coordinate work relief programs, and Project No. 1 was specifically designed to revive the American cultural community.

It consisted of four programs — the Federal Art, Theater, Writers' and Music projects. (A fifth project to survey historical documents in every county of the country was added later.) At its peak, Project No. 1 employed more than 30,000 artists, actors, theater personnel, writers and musicians.

Opponents charged the program was a conduit for communist propaganda, and the theater project, which stirred the most controversy, was the subject of congressional hearings in 1938 and 1939. The Emergency Relief Appropriation Act of 1939 abolished the theater project and granted states authority over the remaining programs.

In addition to the CWA and WPA projects, the Treasury Department administered two emergency relief programs which hired artists to decorate public buildings.

Art projects under the WPA ended in 1943 as unemployment dropped during World War II. Many artists, however, received defense assignments during this period. The War Department created an Art Advisory Committee in 1943 to supervise selection of combat artists. The program was discontinued in 1944 when Congress cut off funding.

Several attempts were made in the 1950s and early 1960s to pass legislation committing federal subsidies for the arts. Congress passed legislation in 1958 (S 3335, PL 85-874) donating federal land to the District of Columbia for construction of a National Cultural Center. Amended in 1963, the bill (PL 88-260) authorized $15.5 million in matching federal funds and renamed the project the John F. Kennedy Center for the Performing Arts. *(1963 CQ Almanac p. 387)*

The Senate approved legislation (S 2379) in 1963 establishing a National Council on the Arts and a National Arts Foundation to make federal matching grants to the states and non-profit professional groups, but the House did not act on the bill. *(1963 CQ Almanac p.394)*

Congress passed the National Arts and Cultural Development Act (PL 88-579) in 1964 creating a National Council on the Arts. The Council was not designed to subsidize the arts, but to be advisory. *(1964 CQ Almanac p.427)*

After a two-year study, the Rockefeller Brothers Fund Inc. issued a report March 8, 1965 on "The Performing Arts: Problems and Prospects." It recommended that responsibility for the expansion of the arts should be shared by the federal, state and local governments. To accomplish this, it urged creation of state art councils supported by federal matching funds.

The Rockefeller Report and the "Great Society" climate on Capitol Hill served as major catalysts in the passage of legislation establishing the National Foundation on the Arts and Humanities. President Johnson signed PL 89-209 on September 29, 1965. It authorized $63 million dollars through 1968 for the new agency, and created twin endowments within the foundation — one for arts, the other for humanities. *(1965 CQ Almanac p. 621)*

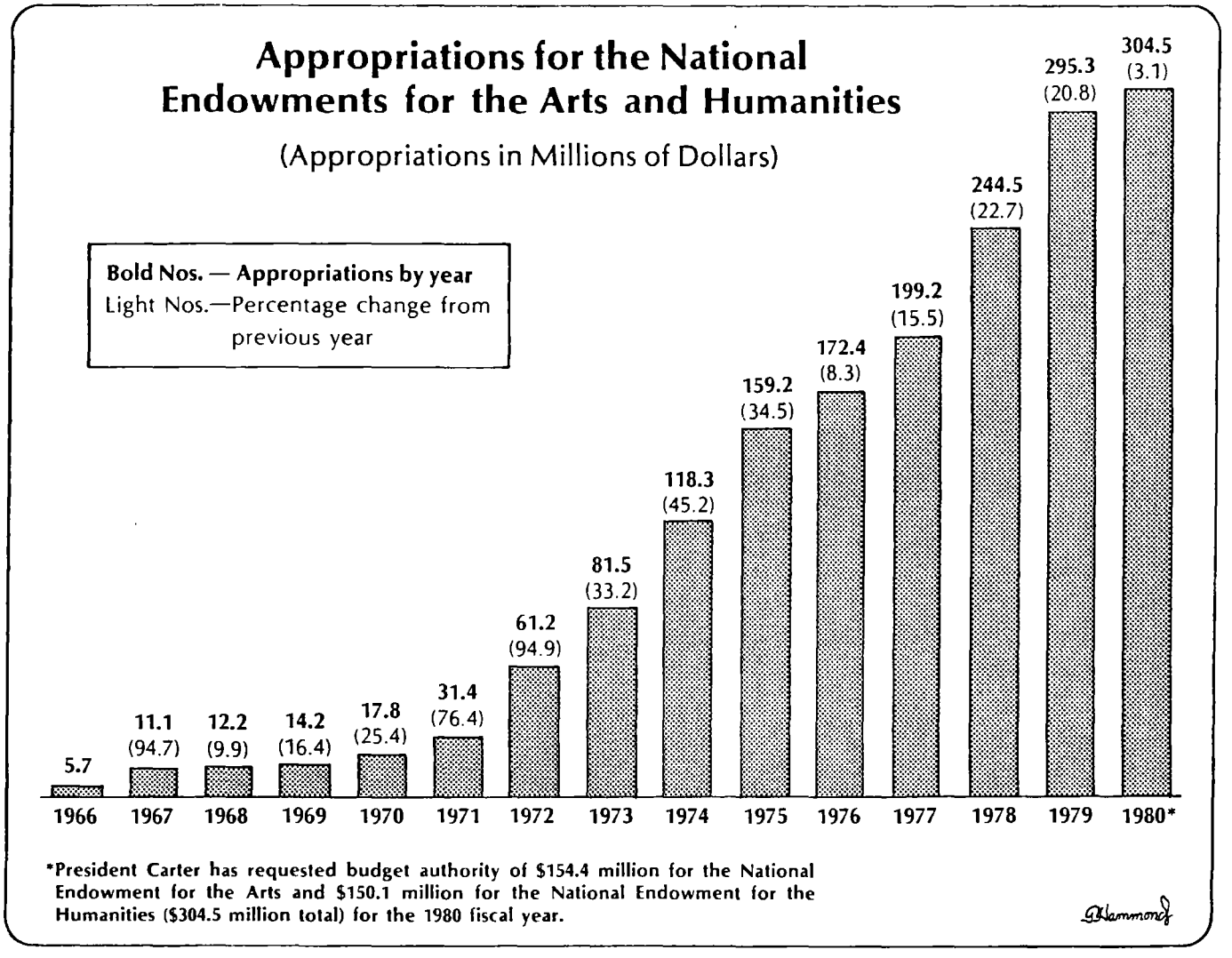
Endowments Created

The legislation was a milestone in the history of federal subsidization of the arts. It was more important than the New Deal programs of the Roosevelt era because it established a permanent federal agency for the arts.

The increase in federal support for the arts since 1965 is attributed in large measure to the second head of the National Endowment for the Arts, Nancy Hanks. She was appointed by President Richard M. Nixon and served in that position from 1969 to 1977. During her tenure, she helped to boost the budget of the fledgling agency from a $7.7 million budget in fiscal 1969 to $94 million at the time of her departure.

The Humanities Endowment — because it primarily funds scholarly projects — has remained largely out of the public eye. Its appropriations, however, have risen in tandem with those for the Arts Endowment, although generally at a slightly lower level. Under chairman Joseph Duffey, the endowment has assumed a somewhat higher profile.

—*By Imani Crosby*



Biddle, the present chairman, received his political education working in the 1960s for Sen. Claiborne Pell, D-R.I., for whom he helped draft the 1965 legislation setting up the endowment. He worked in 1967 as NEA deputy chairman under the agency's first head, Roger Stevens, and in 1973-74 handled its congressional liaison under Mrs. Hanks.

A Philadelphia aristocrat, Biddle moves easily through the worlds of money and power. His appointment as NEA chairman by President Carter was greeted by suspicions in the arts community that he would inject politics into grant selections and be Pell's puppet. Upon taking office, he threw a scare into many by firing six top officials who were Hanks holdovers.

While these fears largely have been stilled, the NEA under Biddle nevertheless occasionally manages to raise a few eyebrows.

One example of a seemingly political endowment action was last year's award of three grants to the district of a rural Pennsylvania congressman on the House Interior Appropriations Subcommittee — which handles the NEA appropriation — who had complained at a March 9, 1978, hearing that his area had been shorted on federal arts money.

"It is hard for me to support a budget [in which] Pennsylvania, which has many great artists, gets very little money, and the rural areas of Pennsylvania get even less," Rep. John P. Murtha, D-Pa., told Biddle.

Murtha's district, however, ended up receiving $5,000 for the Johnstown (Pa.) Municipal Symphony Orchestra, $2,500 for the Pennwood Players (a theatre group) and $5,000 for Southern Allegheny Community Television, a public TV outlet.

NEA spokesmen vigorously deny the grants had been made to please Murtha. The grants were approved by independent panels established to keep politics out of the grant-making process, the spokesmen said.

Nevertheless, one of the acknowledged reasons that the NEA has such widespread backing on Capitol Hill is that it takes pains to distribute its grants widely. Here are some examples of fiscal 1978 grants: $32,000 to the Portland (Ore.) Symphony Orchestra, $15,000 to the Ozark Folk Center in Arkansas for craft exhibits, $5,240 to the Ohio Chamber Ballet in Akron and $437,000 to New York's Metropolitan Museum of Art.

Critics see this as old-fashioned pork barrel politics. Endowment officials say they simply are trying to comply with the intent of Congress in creating the agency — to encourage dissemination of top-quality culture to every corner of the nation.

Biddle makes sure that members understand how their constituents are benefiting from the NEA's largess. Appear-

ing before the Senate Appropriations subcommittee March 13, he reminded Sen. Ted Stevens, R-Alaska, who had been asking some critical questions, that the Alaska Repertory Theatre was an NEA grant recipient. Stevens replied that he intended to back the endowment but only wanted to get good arguments to defend it against any attacks on the floor.

"Today, voting against the arts is like voting against motherhood," commented an aide to Rep. Frederick W. Richmond, D-N.Y., one of the endowment's top boosters on the Hill.

Political Friends

The NEA has a number of influential supporters in Washington:

- Joan Mondale, the vice-president's wife. Honorary chairman of the Federal Council on the Arts and Humanities, an umbrella organization for all federal cultural programs, she frequently travels around the nation promoting the arts, has put a wealth of contemporary American artwork on display at the vice-presidential residence and holds parties allowing government and arts figures to mingle. A former museum tour guide and children's art teacher, Mrs. Mondale likes to work in pottery.
- Rep. John Brademas, D-Ind. Brademas was chairman of House Education and Labor's Subcommittee on Select Education until the start of the 96th Congress, when he quit to devote fulltime to his duties as majority whip. In his subcommittee post he pushed hard for the arts and intends to continue his support from his powerful leadership position. His whip office often is filled with works on loan from the National Gallery.
- Rep. Sidney R. Yates, D-Ill. As chairman of the House Interior Appropriations Subcomittee, Yates has used his considerable power to increase NEA appropriations. He is a collector of paintings by Impressionists and Abstract Expressionists.
- Sen. Claiborne Pell, D-R.I. Born into a rich family, Pell grew up surrounded by Rembrandts. Both his mother and stepmother painted. The owner of many artworks, he has made a permanent loan of Bingham's *The Jolly Flatboatman* to the National Gallery. Pell is chairman of Senate Human Resources' Education, Arts and Humanities Subcommittee, which has jurisdiction over the NEA.

Other stalwart friends of the NEA are Sen. Jacob Javits, R-N.Y., Rep. Frank Thompson, D-N.J., and General Services Administration chief Jay Solomon.

Elitism vs. Populism

The NEA's practice of allocating its funds across the nation is a controverial one in the art world. It pits the "elitists," mainly New York artists and art patrons, against art fanciers elsewhere.

Rural figures, like Rep. Murtha, complain that it is not fair to give so much money to the country's cultural capital. "It is obvious to me that New York continues to receive the largest part of the budget," he said.

But the New York art establishment retorts that it is not getting enough. Even though institutions like the Metropolitan Opera receive massive amounts of federal dollars and play to full houses, they continue to teeter on the financial brink, the New Yorkers point out.

In fact, New Yorkers argue that they deserve to get much more and suspect Biddle of siding with the "populists." They say the NEA funds projects of questionable value in other states for political reasons and starves legitimate cultural activities in New York. A recent article in *The Village Voice*, a Manhattan weekly, accused Biddle of "Balkanization of the arts" and questioned whether " 'quality' professional theatre will be hobbled to bring art to Dry Gulch."

Biddle, though denying he tilts to either side, does little to calm the New Yorkers and has asserted that "much [artistic] innovation occurs outside Broadway and New York."

Congressional Critics

Despite the tremendous popularity the NEA enjoys on the Hill, some members have criticized the quantum leaps in past endowment appropriations.

To Sen. Proxmire, the NEA is "surfeited with funds," with too much going to the administration of the arts, and too little to the arts themselves.

"The principal recipients of the funds . . . are those who can afford to pay for the pleasure of viewing the arts," he said on the floor last year. "Those . . . are routinely relatively well-to-do persons who should pay for the arts as they pay for their dinners after the theatre, rather than receiving a subsidy from the general taxpayers."

Proxmire brushes aside NEA explanations that large subsidized institutions like the Metropolitan Opera are national assets and that many endowment projects are available to poor people.

He contends that a lot of NEA money is wasted on frivolous things. In September 1977, Proxmire gave the NEA his monthly "Golden Fleece" award for its $6,025 grant to make a film of burning gases and crepe paper being thrown out of airplanes. Since then, the endowment has rated two Golden Fleece runners-up designations — for a movie of 400 people walking along a Hawaiian beach wearing colorful party hats and for a study of creative people in the media.

Neither Proxmire nor the two other prominent NEA critics — Sen. Henry Bellmon, R-Okla., and Rep. Ralph S. Regula, R-Ohio — has so far taken a stand on the agency's fiscal 1980 budget request. All warned last year that they would not tolerate a large increase in funding similar to hikes the endowment has obtained in the past.

Humanities Endowment

Historically, the National Endowment for the Humanities, which also was created by PL 89-209, has mirrored the growth of the NEA. The rule of thumb has been, according to observers, that the Humanities Endowment budget would rise in proportion to that of the Arts Endowment, but lag about $5 million behind.

That pattern appears to hold true. The humanities agency has $145 million in budget authority in fiscal 1979 and its request for fiscal 1980 is $150.1 million — $4.3 million less than what the NEA wants.

The Humanities Endowment funds scholarly research and enterprises that advance appreciation of the humanities. It gave a grant to aid the production of "The Adams Chronicles" on public television, for instance. Universities, museums, libraries and individual scholars all have received endowment money.

Areas that the endowment covers are: language, literature, history, law, philosophy, archaeology, art history, and social sciences using humanistic methods.

Because the endowment's undertakings are largely esoteric, it has remained for the most part out of the public eye. And because fewer people are involved with the humanities than with the arts, which are by their nature spectator enterprises, the NEA has attracted most of the attention.

However, the Humanities Endowment has received some public note because of recent controversies surrounding its present chairman, Joseph D. Duffey.

When President Carter appointed Duffey in 1977, a number of academicians objected that the former Americans for Democratic Action president and unsuccessful 1970 Democratic senatorial candidate (from Connecticut) was too strong on politics and too weak on scholarship.

Duffey previously served as a Carter 1976 campaign aide, and as Carter's assistant secretary of state for cultural affairs. He is the husband of Anne Wexler, the influential White House adviser. Further, he replaced a highly respected Shakespearean expert, Ronald Berman, who had long feuded with Sen. Pell.

Duffey has academic credentials, but the critics were not appeased by them. An ordained Baptist minister, Duffey holds a Ph.D from Hartford Seminary and has headed the American Association of University Professors.

By now, the dissent generally has died down. Most critics concede that Duffey has done a good job managing the agency.

In fiscal 1978, he even returned $300,000 to the U.S. Treasury due to savings in administration costs. Duffey feels that the endowment has started giving grants in areas that he says will benefit society at large.

Outlook

Decisions by both endowments to seek only small budget increases in fiscal 1980 are regarded by congressional observers as wise. Still, the boosts, small as they are, may draw some fire on the floor from Proxmire and others.

"This is one of the few items [agencies] with an increase in a very austere budget," Sen. Stevens told Biddle at the Appropriations subcommittee.

Both endowments come under the appropriations bill for the Department of Interior and related agencies. A bill number has not yet been assigned for the measure.

Hearings on NEA's appropriation were held March 13 in the Senate Appropriations subcommittee. The Humanities Endowment will be the subject of similar hearings March 29. House hearings have not yet been scheduled.

According to Hill onlookers, the Interior bill may emerge from Congress reduced from 3 percent to 10 percent across-the-board, which could mean both endowments may suffer their first budget reductions. "For God's sake, let's make this an emergency year," said James Backas, executive director of the American Arts Alliance. "We don't want to have this develop into a trend."

The NEA and its friends in Congress do not expect it to. One reason for their optimism is the apparently good prospects for a bill sponsored by Rep. Richmond (HR 1042) that has 105 cosponsors. The bill, which both endowments helped draft, provides for pledge boxes on income tax forms for tax-deductible contributions to the arts and humanities agencies, and would raise an estimated $1.7 billion annually.

Optimism by the arts community also is buoyed by the tremendous goodwill the NEA has in Congress — goodwill it has long been able to manipulate to its advantage. ▮

Carter Budget Rescissions:

Senate Votes 1979 Budget Rescissions of $723 Million

The Senate has given President Carter a modest victory in his first budget battle of the year, approving more than three-fourths of a package of cuts in fiscal 1979 appropriations.

By voice vote the Senate March 14 approved $723.6 million worth of appropriations cuts, known as rescissions. The House March 6 had approved similar rescissions totaling $705.9 million, and only minor differences between the two versions of the bill (HR 2439) remain to be ironed out in conference. The president had asked Congress to rescind $914.6 million in fiscal 1979 appropriations for health, education, housing and other programs.

Before endorsing the spending cuts, the Senate rejected, 55-42, an attempt by Edward M. Kennedy, D-Mass., to fully restore fiscal 1979 appropriations for general purpose grants to schools training health professionals (doctors, veterinarians, nurses and others). Choosing a middle course, the Senate also rejected 14-83 an amendment by J. Bennett Johnston, D-La., to accept the president's original rescission of $168 million for the health training programs. *(Votes 18, 19, p. 496)*

The effect of these two votes was to leave in place the Senate Appropriations Committee figure of $46.4 million for the training funds rescission. The Senate made no changes in the bill the appropriations panel had reported (S Rept 96-33) on March 1.

The Senate's partial restoration of health training money was a victory for medical and nursing school lobbyists, who told members the abrupt cutoffs would hurt schools and strand students in the middle of their training. Kennedy rejected the administration's contention that the nation has enough nurses and soon will be oversupplied with doctors. And Dale Bumpers, D-Ark., distributed lists of 35 states which he said had doctor shortages.

Kennedy's argument that Congress shouldn't take back funds already promised for fiscal 1979 brought him some unusual, conservative allies. Orrin G. Hatch, R-Utah, who said he disagreed with Kennedy on money matters "at least 95 percent of the time," said the president's health training cuts were "an act of bad faith." ▮

GSA Building, Leasing Freeze

Alarmed by disclosures of General Services Administration corruption, the Senate Environment and Public Works Committee voted to freeze all GSA building and leasing for the rest of the year.

The March 12 voice vote, on a motion by Sen. Daniel Patrick Moynihan, D-N.Y., places a moratorium on an estimated $1 billion in projects nationwide. Only projects of $500,000 or more are affected. Emergency exceptions will be considered.

The committee must approve all prospectuses for federal space acquisition.

The freeze was imposed pending completion of a congressional study of GSA spending practices. The committee intends to use the results in amending the Public Building Act of 1959 (PL 86-249). ▮