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## National Endowment for the Arts: News Articles (1980): Article 11

Joan Davidson

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# Issues & Commentary

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## Is the NEA Challenge Grant a Trojan Horse?

BY JOAN K. DAVIDSON

The arts now struggle just to get by in America, against the debilitating effects of inflation and what a recent letter-writer to the *New York Times* called "the continuous infighting among our various power groups . . . for a disproportionate share of the national swag." It behooves the supporters of the arts, therefore, to use their wits. Lincoln Kirstein, director of the New York City Ballet, says that arts institutions must rely on "ingenuity, skill and slyness" which, he believes, "function best in chaos and anarchy."

Sometimes the arts are sold as mulch for a new growth of the central city. "The arts are critical to the economic development of New York," Fred Papert, who is president of the 42nd Street Redevelopment Corporation, said, pointing to a group of small new theaters near Times Square as a vanguard influence in the remaking of one of the city's most deteriorated sections. "The Brooklyn Academy of Music has been an instrument for urban renewal." Roger Kennedy, vice president of the Ford Foundation's arts program explained recently, handing the Academy a \$400,000 check.

Sometimes the arts appeal as a new way to dress up the old tricks of politics. In New York, the State Arts Council points with pride to its role in the "I Love New York" booster campaign and in last fall's celebration of the Albany Mall, which provided an occasion for the late Nelson Rockefeller to say nice things about gubernatorial candidate Hugh Carey just before the election.

A favorite modern rationale for both public and private sector assistance is that the arts are a valuable adjunct of commerce; or, what's good for the arts is good for business, an echo of that old, catchy tune of General Motors' Engine Charlie.

Copious statistics marshalled by the Concerned Citizens for the Arts and other sophisticated lobbyists demonstrate that the non-profit arts provide raw material for essential New York industries, among them Broadway theater, nightlife, fashion, publishing and tourism; that they make jobs in hotels, restaurants, stores and service stations; and that they persuade corporations to stay or settle in New York.

This business-minded attitude toward culture, which appears to assume that arts organizations must increase and multiply, has spawned whole new professions: le-

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*A hard look at the much-touted challenge grant and its side-effects—not always so positive—plus some notes on alternate goals for public funding for the 1980s.*

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gions of local arts councils, their alliances and trade associations, fundraisers and consultants to fundraisers, mail order specialists, public relations directors, caterers, pollsters, audience developers—all useful, often talented functionaries who fulfill the growth imperative, and add to it their own imperative to perpetuate their usefulness.

How much does their activity devour of private funds that are raised for the arts, and tax money that might otherwise go to artists and arts institutions? Last year the New York State Council on the Arts, for example, supported the "administrative expenses" of more than 50 local arts councils, including their newsletters, some of them composed in the following prose style: "The Alliance heard that one of the most important priorities was the provision of the most current funding information on a regular basis. The [group] also listened and heard that it can continue to act as a catalyst for the coming together of the folks whose goal is to provide the Arts."

The classic business principle that money should earn more money, is now transferred to the arts in the skewed match of federal dollars (1 dollar released from the federal government in return for 3 or 4 dollars produced from the private sector), in the form of the challenge grant.

The NEA challenge grant, as Grace Glueck pointed out in these pages [*A.i.A.*, Jan.-Feb. '79] has been much praised by bureaucrats and managers of major cultural institutions, who find it an effective and dramatic mechanism to produce money quickly, and to create an aura of success and forward movement in the life of the institution. So rewarding has the experience been, in fact, that Livingston Biddle, chair-

man of the NEA, now hopes for more, bigger and better challenge grants.

He proposed this year that Congress increase the appropriation for the challenge grant program in relation to the regular NEA program, a proposal rejected by the Congress for the time being. "I would very much like to see the challenge grant program continue . . . and that we should consider a system whereby past challenge grantees, some years later, could receive another grant to reach an even higher plateau of community service and strengthened financial support. Possibly a second challenge grant would require a higher matching ratio than the current challenge minimum of three non-federal dollars for each Endowment dollar" (*The Cultural Post*).

The resourceful Nancy Hanks created the challenge grant device five years ago and subjected it to strict control and limited use, never intending it to be a tool in general service. Will challenge grants now become the norm in all NEA programs, taking an ever larger share of NEA funds? Will the match ratio increase (10 private dollars to 1 from the feds? how about 50 to 1?), and if so, what then? Would it be profitable to have the challenge grant, a quintessential artifact of the business ethic, become the very basis of national arts policy?

The answers may not be as clear-cut as the program's supporters would have it. Reservations about the challenge grant—suggestions that it has not always proven worth the effort, disruption, and anxiety it causes—are beginning to be heard, on both practical and philosophic grounds. Indeed, there is a rising anxiety about its implications for the future of governmental support for the arts.

For one thing, the question of fairness is raised—the equal bearing of burdens among eligible institutions. Many institutions—mainly the large and powerful ones—find little challenge in the challenge grant. The first challenge grant, \$1 million to the Metropolitan Opera in 1974, handily produced \$3.4 million in almost no time at all; as Grace Glueck pointed out. "The Brooklyn Museum's grant was matched in two months by more than 3 to 1, and Boston was soon raking in four private dollars to every one put up by the feds," Glueck goes on. According to Dick Netzer, NYU professor and author of *The Subsidized Muse*, "Some organizations engaging in highly worthwhile activities that serve national interests find it much easier than others to raise the matching funds. For example, in 1974-75, the 29 American Symphony Orchestra League major orchestras had income from private contributions, foundations, and non-NEA grants. Their matching of the NEA grants was an exercise in bookkeeping, not fundraising." If this is true, the challenge grant

may in such cases be a needless expenditure.

**B**ut for some organizations whose work is not well known to the general public, whose modest scale prohibits their having their own fundraising services and staff, the effort to meet a challenge grant has often been hard and discouraging labor. One smallish organization devoted to architectural preservation had virtually to drop its regular program for a year to spend full-time on fundraising, and was required to add a fourth member to a lean three-person staff. Another mid-sized organization that supports experimental work by young artists was able to meet the match requirement only because the Ford Foundation, in a happy accident, appeared with a substantial contribution, one not occasioned by the challenge grant. Some directors of small institutions, who must obviously withhold their names, were so depressed at having been given money to raise more money that they would have preferred to receive only—and straight out—the federal one-fourth they ultimately received.

Furthermore, an unnecessary rivalry among cultural institutions and the various arts blocs appears to have been engendered by the challenge grants. How many corporations, foundations, and persons of means are there at any one time and place willing to exceed their usual contributions to the arts in the interest of matching-federal dollars? There is, it turns out, only a small pool of major donors, who now find themselves considerably more popular than they may care to be, and who sooner or later may be turned off for good. The obligatory announcement about matching the challenge grant now adorns almost all fund appeal letters and fundraising invitations, and the drama of the incentive is fading fast.

Conferences, television talk shows and Sunday supplement articles display this artificially stimulated and wasteful competitiveness in the Dreadful Dichotomies: art *in* the cities (to build them up) vs. art *out* of the cities (where there is less opportunity), established organizations vs. fledgling or experimental ones, professional (elite) arts vs. amateur (populist) arts—as though art were caviar for the privileged few, or food stamps for the deserving poor, and in either case a commodity in short supply.

Among the disquieting aspects of the challenge grant is a rather insidious one: government's demand that its dollars be matched excessively, as in this program, is a kind of interference. It not only deflects the energies of arts managers from their proper work to the exigencies of money raising, but induces an exaggerated and unseemly posture of gratitude on the part of the taxpaying recipients. Why should the leaders of cultural institutions that bring honor to the country feel "grateful" when civil servants allow them the temporary use of public funds, to which they themselves have contributed, as inducement to enter a fierce scramble against their fellow institu-

tions for offerings from the same few hands?

It is hard to think of another public program that puts its beneficiaries to task in this way, and the voluntary nature of the challenge grant program does not justify its discriminatory aspects. Schools and highways, for example, are often required to provide a match—but from another level of government, so that a hat-in-hand campaign is not required. Even the federal campaign finance law that makes candidates for national office raise their own funds to qualify for federal funds in primaries removes this obligation for the general election, on the grounds that the full attention of candidates belongs on the substance of the campaign.

Finally, the challenge grant subtly down-

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grades competent management of arts institutions by becoming itself the commonly accepted index of value in the eyes of both the art community and the funding sources that serve it. The American business view of money as the standard of merit has been swallowed whole in the challenge grant program: to be chosen for a challenge grant is to be found worthy; not to be chosen is to be found not worthy and, by extension, to neither need nor desire a challenge grant is to be lacking in ambition, and thus a bit of a loser. "The local funding sources want to go with winners [awardees of challenge grants]—a winning organization gets a big fundraising jump on its colleagues who apply for grants and are found wanting" (Director of the American Art Alliance, the *Wall Street Journal*, Jan. 5, 1979).

Will it be good for the nation's cultural life when the future belongs to the "winners," or will energy in the arts be depleted by an endless hustle for funds? Devising schemes and constructing complex structures for the dealing out of money can become an end in itself for government, busy-work overshadowing all other goals.

**A**re there other goals? On all sides we hear that public arts policy is awry. A recent American Assembly of leaders in the arts concludes, "The people of the United States, and not merely the artists and the institutions in the arts, need a more clearly understood public policy about the arts...; the need for taking leadership in analyzing and expressing public policy is today as urgent a mission on the part of

professionals in the...arts as any they have hitherto pursued in their own individual careers."

John Brademas and other Congressional arts leaders are trying to organize a White House Conference for 1981 [See *A.I.A.*, July-Aug., '78] to reassess national arts policy. "Our government needs to develop a rational, well-coordinated policy... of the arts," said Jimmy Carter in his Presidential campaign, and, since then, concern over such issues as museum governance, foundation and public agency practices, and the like has intensified.

We come rather late to a longing for direction in the arts. Until now, arts policy, unlike, say, education policy, was not much mulled over. It rests on no body of writing and philosophy, embodies only a vague perception of the relation of means to ends, has no prophet like John Dewey or Horace Mann, but is a haphazard contrivance. Twice in the nation's history we have set up programs of governmental support for the arts. Both times they have been improvisations.

The first, short-lived effort was during FDR's New Deal. The arts projects of the WPA were compassionate and spontaneous responses to a desperate national emergency: work relief for unemployed and needy citizens who happened to be artists, "regardless of skill or esthetic proclivity." Or, in the words of Harry Hopkins, overseer of the WPA, "Hell, they've got to eat just like other people." Much fine work survives from those years—the great "American Guide" series, major architectural monuments like Timberline Lodge in Oregon, murals on and in public buildings, distinguished sculpture, painting, graphic work, crafts, photographs, music, theater and dance, films, and the splendid *Index of American Design*—and it is all a kind of accidental by-product of the main goal, which was the economic and professional survival of a generation of American artists.

The other effort, the national arts policy in the second half of the 20th century, was launched in 1960 by Nelson Rockefeller when he was Governor of New York, and run, in its first few years, pretty much out of his back pocket as a pale shadow of the family's Rockefeller Foundation.

With little money to give away in the early years (the initial appropriation was \$50,000), the council, under the wise leadership of Seymour Knox and a series of imaginative executive directors, fanned out across the state in search of the arts. Stirring up concerts, exhibitions, preservation projects, theater workshops, photographic documentation of farm landscapes, and other adventures, the council used enthusiasm, ingenuity and hard work in place of cash to set strong cultural tides in motion.

Several years later the legislature came through with big money, and Rockefeller established a grant-making program with panels of experts, along the lines of the British Arts Council, to guide it and to remove from the new venture the appearance

of personal interest. That is how New York State's arts program took shape, and in 1965 the federal government copied it, setting up the National Endowment for the Arts on the New York model.

It is evident, therefore, that nothing in current federal arts policy, which is only 14 years old, need be considered sacrosanct by the test of tradition or of authoritative analysis.

The course of the arts in this country has been very like the New Deal, as described by Arthur Schlesinger Jr.: "Programmatically it was experimental, contradictory, chaotic, sometimes incoherent. But New Deal experimentation was informed by a unifying vision...."

Given the troubled condition of contemporary life in America, a "unifying vision" of the arts may be beyond our grasp. In its absence, modestly offered here are a few homely principles that might serve as guides to the work at hand.

—The growth of arts institutions should be natural and incremental rather than forced, as it often is now by public agency grant practices. The objective should be not that Culture like a warm bath wash over passive crowds in museum and concert hall, but that somehow each person achieve the fresh experience of art, or, as E.M. Forster said, "not merely books, pictures, and music, but the power to enjoy and understand them." And that the life of institutions take on something of the quality ascribed by John Russell to the Morgan Library: "People feel that it is run by one or two human beings for one or two other human beings, and that when they themselves cross the threshold they are the one or two persons in question."

—Experimentation and innovation in the arts must be nurtured; the encouragement of new ideas, new work, new possibility is paramount.

—It is not enough to pile up esthetic riches in the private domain while the squalor of the public environment goes unattended. Arts policy must assume a share of responsibility for the conservation of our landscape and historic and architectural heritage. The survival of libraries should be its concern, as should the improvement of education in the arts; the protection, creation and enhancement of amenity in city and suburb, town and rural outpost, and other public, common spaces.

—Broad, systemic efforts that bring benefit to all users, or at least a class of users, can be more helpful to the arts as a whole than particular grants that go to single institutions at the expense of other institutions. The new Museum Indemnification Act, which has been a boon to a wide range of museums by reducing their insurance costs, is one such effort; the substantial lowering of postal rates, if it were brought about, could be another—protecting free expression as well as providing great savings to all.

—More resourceful ways must be found

to expand state, local, corporate and private support for the arts through the leverage of federal dollars, and it must be a method that neither distorts the integrity of purpose of individual arts institutions, leads to excessive costs in the raising of funds, nor uses federal power to make inappropriate comparisons about artistic merit among diverse institutions. Tax revision, voucher programs, the Richmond check-off bill (H. R. 1042), a more effective CETA plan and other bold initiatives, not yet surfaced, must all be fully explored.

—Not legislation, nor organization charts, nor even ample cash makes a sound cultural policy; it takes wise, determined and creative leadership to do it.

With goals and principles in view, a

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course of action could be established that would spur artistic productivity, strengthen institutions, enhance the cultural environment. It might go something like this:

### Part One

To make a solid commitment to the creative artist, as the heart and soul of the nation's cultural life. Individual artists in all disciplines should be eligible for many more grants, fellowships, apprenticeships, stipends, purchases, commissions, and perhaps study and travel awards than they now are. The NEA, CAPS, Fulbright and Guggenheim programs all have shown a talent for judgment in the making of awards; these existing programs should be studied toward creating an even better one—as just, sensitive, imaginative and constructive as humanly possible. And there should be more ceremony and public recognition of artists and their work, such events as President Carter's White House performances being a step in the right direction.

### Part Two

To confer honor and support, through grants and other means, on museums and performing arts institutions of the highest quality, as a symbol of the nation's achievement and its standing in the world, and to reward able management of cultural institutions.

To this end, and to minimize destructive competition for grants, establish an honor roll, or National Register of Monuments of

the Arts, to which excellence alone, not scale, degree of need, geographic distribution, nor size of public served, would be the standard of admission (no easy task, to be sure, amidst the pulling and hauling of arts politics, but perhaps manageable).

Once authenticated by election to this National Register, an institution should enjoy a maximum of trust and a minimum of bureaucratic hassle, its status subject only to periodic review. National Register institutions would automatically receive a limited annual grant, and be further rewarded each year upon proof that operating costs were tightly controlled and earned income increased. Beyond that, they would be eligible for a new program of *open-ended, permanent* matching grants—not a high-pressure tactic to achieve startling results here and there, often as a temporary stopgap, but a purposeful, steady effort to improve all significant cultural institutions.

All eligible institutions—and it is likely that the roster would expand every year—would receive as continuing support from the federal government an appropriate percentage (perhaps \$500 for each \$1,000? Or dollar for dollar, as in the existing Treasury Fund program?) of all funds that they raise from the private sector.

### Part Three

To recapture the idealism and commitment to public service of the Federal Arts Projects in their heyday, and the vitality of NYSCA's and NEA's early years, the objective being an ever-improving condition of health for the arts, and for society itself. Judicious help would go to specific organizations and projects and to a wide range of across-the-board ventures. Service organizations would be empowered to expand technical assistance to all the arts, as well as to provide training in the management of cultural institutions.

Subsidy of work space—in rescued existing buildings and well-designed new ones—and of reduced ticket prices and admission fees would be within the jurisdiction of this program, as would the dispensing of small, strategic grants for promising new work wherever it is found. Such a program could, to the advantage of all, carry out cooperative efforts among public agencies and departments, and between non-profit and commercial enterprises. It might, for example, set up artists' cooperatives as ventures in economic development; enable commercial galleries and publishers to take more risks with unknown artists; work out a way for commercial movie houses to include short, independent films on their regular programs, and perform a wide range of other such "crossover" functions.

The power of art to move people is a far grander matter than can be dealt with here, or by me.

Robert Lowell said, "The ambition of art, the feeding on one's soul, memory, mind, etc. gives a mixture of glory and ex-

haustion." Much has been written over the years about the idea of art as the assertion of individual sensibility and about the way art, as insight into the nature of man and of society, makes community possible. A further word about art as a civilizing force comes from I.F. Stone: "... I believe that a man's life reduces itself ultimately to a faith—the fundamental is beyond proof—and that faith is a matter of aesthetics, a sense of beauty and harmony. I think every man is his own Pygmalion and spends his life fashioning himself. And in fashioning

himself, for good or ill, he fashions the human race and its future."

According to Lincoln Kirstein, "the amount of money given to the arts so far in the United States has been derisory"—despite all efforts. It need not be. America has in no way lost the ability or the wherewithal to create the public policies it wants.

**Author:** Joan K. Davidson is president of the J.M. Kaplan Fund and founder of Artists' Postcards; she was chairman of the New York State Council on the Arts, 1975=76.

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