

A Philanthropy at Its Best® Report

FUSING ARTS, CULTURE AND SOCIAL CHANGE High Impact Strategies for Philanthropy

By Holly Sidford

### About the Author

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Cover: "Don't Hesitate, Communicate," Shoulder To Shoulder City-Wide Youth Banner Project, 2000. In partnership with the City of Los Angeles Human Relations Commission, SPARC and UCLA.

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### **Executive Summary**

Culture and the arts are essential means by which all people explain their experience, shape their identity and imagine the future. In their constancy and their variety, culture and the arts allow us to explore our individual humanity, and to see our society whole. People need the arts to make sense of their lives, to know who they are. But our democracy needs the arts, too. The arts animate civil society. They stretch our imagination. They increase our compassion for others by providing creative ways for us to understand and deal with differences. The arts protect and enrich the liberty, the human dignity and the public discourse that are at the heart of a healthy democracy.

Every year, approximately 11 percent of foundation giving – about \$2.3 billion in 2009 – is awarded to nonprofit arts and cultural institutions. The distribution of these funds is demonstrably out of balance with our evolving cultural landscape and with the changing demographics of our communities. Current arts grantmaking disregards large segments of cultural practice, and by doing so, it disregards large segments of our society.

A growing number of artists and cultural groups are working in artistic traditions from Africa, Asia, Latin America and the Pacific Rim, as well as in new technology-based and hybrid forms. They are using the arts in increasingly diverse ways to engage and build communities and address the root causes of persistent societal problems, including issues of economic, educational and environmental injustice as well as inequities in civil and human rights.

Much of this work is being done at the grassroots and community levels by artists and relatively small cultural organizations. Yet, the majority of arts funding supports large organizations with budgets greater than \$5 million. Such organizations, which comprise less than 2 percent of the universe of arts and cultural nonprofits, receive more than half of the sector's total revenue. These institutions focus primarily on Western European art forms, and their programs serve audiences that are predominantly white and upper income. Only 10 percent of grant dollars made with a primary or secondary purpose of supporting the arts explicitly benefit underserved communities, including lower-income populations, communities of color and other disadvantaged groups. And less than 4 percent focus on advancing social justice goals. These facts suggest that most arts philanthropy is not engaged in addressing inequities that trouble our communities, and is not meeting the needs of our most marginalized populations.

There are some hopeful signs, however. A growing number of funders outside the arts foundations with a primary focus on education, community development, health or social justice - are partnering with artists and arts organizations to reach their programmatic goals. The Arts and Social Justice Working Group is enlarging resources for artists and organizations doing this work, and is fostering collaborations and disseminating information about effective approaches. Americans for the Arts' recent report, Trend or Tipping Point: Arts and Social Change Grantmaking, confirms that there now are more than 150 funders active in this area. The National Committee for Responsive Philanthropy (NCRP) has identified more than 140 arts funders who gave at least 20 percent of their funding to benefit marginalized communities. This growing cohort of funders are responding in creative ways to changes in our country's demographic profile, as well as to evolving aesthetics and cultural practices.

But much more can and needs to be done for arts and culture funders to stay current with the changing field and relevant to the needs of our communities. There are compelling humanistic, demographic, aesthetic and economic reasons for foundations funding the arts to allocate more of their resources to directly benefit disadvantaged communities.

- **Demographic:** Art-making reflects a society's current demographic features as well as its intellectual, spiritual, emotional and material history. Both the products and the processes of the arts evolve in tandem with the profile of a people. This fact makes addressing our country's changing demographics fundamental to effective philanthropy in arts and culture today.
- Aesthetic: Tradition bearers, activist-artists, teaching artists, hybrid artists they go by different names and they have different approaches, but together they represent a growing segment of the artist population, and their work is expanding the scope of artistic practice and the role of the arts in improving the lives of disadvantaged populations. These artists are frontrunners in the movement to use the arts to address social, economic and political inequities and improve opportunities for all. They are

powerful and worthy partners for funders of all kinds, and it is time to broadly validate and support their practice.

• Economic: The reverberating impacts of the recession, the current political climate and the widespread hostility to government spending threaten prospects for arts and culture funding. These trends are shifting the funding landscape for all cultural groups, but they are most ominous for the artists and organizations based in and serving lower-income communities and other marginalized populations. The shifts in public sector funding have both immediate and long-term implications for the cultural ecosystem, particularly for the smaller, newer, edgier parts of that system and the artists and groups serving our least advantaged communities. Private funders cannot replace the role of the public sector, but public sector shifts make it important for private funders to reconsider the balance of their grantmaking in the arts.

Reviewing data on these issues and arts funding patterns not previously compiled, this report makes the case for changing arts and culture funding strategies. It suggests

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ways that all funders of the arts – regardless of their primary focus – can move toward more inclusive and responsive grantmaking:

- Sustaining the canons funders primarily concerned with preserving the Western European canon can work harder to ensure that their grant dollars directly benefit underserved communities; they also can recognize and support work in canons outside of the European tradition.
- Nurturing the new funders focused on new work can expand their understanding of and support for the expanding universe of artists and art forms being practiced in the U.S., recognize art and social change as a form of art-making and expand funding for social change or social justice arts.
- Arts education funders concerned with education and youth development can expand arts education for children with the least access to it; strengthen and grow both in-school and out-of-school programs; and redouble efforts to affect policies that will integrate the arts into basic school curricula.
- Art-based community development funders concerned with community develop-

ment can expand support for endeavors and organizations that braid artistic and community goals, integrate artists and the arts into community planning and collaborate with funders in other fields to integrate strategies and advance mutual goals.

• Art-based economic development – funders concerned with economic development can ensure that artists and arts organizations are integrated into these programs in ways that benefit lowerincome and other marginalized populations, support community-driven planning processes that engage underserved communities, and make certain that lowerincome people are not displaced by economic development projects.

This report is a call for funders to reflect on their policies and practices in light of demographic, aesthetic and economic trends. It is also an invitation to engage in a fresh field-wide conversation about the purpose and relevance of philanthropy in the arts today. We hope the result of this reflection and discussion will be a more inclusive and dynamic cultural sector and, through the arts, a more equitable, fair and democratic world.

Temporary chalkboard installation at the site of Homer Plessy's arrest in New Orleans. The piece was created as part of a public Plessy Day event on June 7, 2008. Photo courtesy of Transforma.



### I. Introduction

Art holds a mirror up to society. Therefore, it is not surprising there is such a long tradition of artists concerned with social justice: Charles Dickens, Augusto Boal, Mark Twain, James Agee, Walker Evans, Langston Hughes, Thomas Hart Benton, Wendell Berry, Leo Tolstoy, Frederick Wiseman, Diane Arbus, Florence Reece, Ngugi wa Thiong'o, Ralph Ellison, on and on. In fact, the artist who at some time has not wrestled with the theme of justice in society is an exception - how could it be otherwise given that the use and abuse of power is such a prominent part of the human condition, so near the center of our mortal experience. It is not a question of whether art and social justice are connected, but, rather, the forms and intensity of that connection.

-Dudley Cocke, Artistic Director, Roadside Theater

Culture and the arts are essential means by which all people explain their experience, shape their identity and imagine the future. In their constancy and their variety, culture and the arts allow us to explore our individual humanity, and to see our society whole. People need the arts to make sense of their lives, to know who they are. But our democracy needs the arts, too. The arts animate civil society. They stretch our imagination. They increase our compassion for others by providing creative ways for us to understand and deal with differences. The arts protect and enrich the liberty, the human dignity and the public discourse that are at the heart of a healthy democracy.

Arts and culture cut both ways. They can reflect a society's customs and fortify its conventions and ideologies or they can catalyze processes of change and propel social and political movements. Sometimes, these movements are for greater justice and equality, and sometimes for the repression of human rights. Here, we focus on the role of art in helping us achieve justice and equality.

Every year, approximately 11 percent of foundation giving – more than \$2.3 billion

in 2009 - is awarded to nonprofit arts and culture.<sup>1</sup> At present, the vast majority of that funding supports cultural organizations whose work is based in the elite segment of the Western European cultural tradition commonly called the canon - and whose audiences are predominantly white and upper income. A much smaller percentage of cultural philanthropy supports the arts and traditions of non-European cultures and the non-elite expressions of all cultures that comprise an increasing part of American society. An even smaller fraction supports arts activity that explicitly challenges social norms and propels movements for greater justice and equality.

This pronounced imbalance restricts the expressive life of millions of people, thus constraining our creativity as a nation. But it is problematic for many other reasons, as well. It is a problem because it means that – in the arts – philanthropy is using its tax-exempt status primarily to benefit wealthier, more privileged institutions and populations. It is a problem because our artistic and cultural landscape includes an increasingly diverse range of practices,

many of which are based in the history and experience of lower-income and nonwhite peoples, and philanthropy is not keeping pace with these developments. And it is a problem because art and cultural expression offer essential tools to help us create fairer, more just and more civicminded communities, and these tools are currently under-funded.

The National Committee for Responsive Philanthropy (NCRP) promotes philanthropy that serves the public good, aids people and communities with the least wealth and opportunity, and upholds the highest standards of integrity and openness. For more than 30 years, NCRP has conducted research and advocated for policies that encourage all foundations to affirmatively address inequality and expand opportunity for disadvantaged people.

In 2009, the NCRP released *Criteria for Philanthropy at Its Best: Benchmarks to Assess and Enhance Grantmaker Impact.*<sup>2</sup> Based on extensive research and consultation in the foundation sector, the report recommended four criteria for enhancing philanthropy's impact on the public good – values, effectiveness, ethics and commitment – and offered metrics for each criterion.

This report is part of a follow-up series commissioned by NCRP to encourage more equitable grantmaking in different philanthropic sectors. The series includes reports on philanthropy in education, health and the environment, as well as the arts.<sup>3</sup> In this "What is the essential skill set for an arts funder today? First: humility. Second: curiosity. An ability to listen and to look. And an ability to prompt debate and discussion. We are in a time of tremendous change. No one has all the answers. Maybe no one has any of the answers. We all need to get more comfortable with being uncomfortable and keep focused on strengthening deliberative democracy."

> —Roberto Bedoya, Executive Director Tucson Pima Arts Council

report, we make the case that more foundation funding in the arts should directly benefit lower-income communities, people of color and disadvantaged populations, broadly defined, and that more resources should be allocated to expand the role of arts and culture in addressing the inequalities that challenge our communities. There are compelling humanistic, demographic, aesthetic and economic reasons to move in this direction. By doing so, philanthropy can shape a more inclusive and dynamic cultural sector, as well as a more equitable, fair and democratic world.



#### GRAPH 1: Share of Foundation Giving Going to the Arts

Source: The Foundation Center, 2011

### Criteria for Philanthropy at Its Best: Values

To exert leadership on behalf of disadvantaged populations, NCRP's *Criteria for Philanthropy at Its Best* recommends that foundations provide at least 50 percent of their



grant dollars to benefit people from marginalized communities, including but not limited to lowerincome communities, communities of color, disabled people, women and girls, those who live in rural areas, and lesbian, gay, bisexual and transgendered people.

For foundations whose specific missions make this goal difficult, NCRP suggests an alternate benchmark – that 20 percent of grant dollars be directed to benefit the designated populations.

NCRP also recommends that funders provide at least 25 percent of grant dollars for advocacy, community organizing and civic engagement to promote equity, opportunity and justice in our society.

### Author's Note

"Art" and "culture" are two of the most complex and debated words in the English language.<sup>4</sup> "Quality" – a concept essential to any funding of the arts – also is a complicated term, the definition of which changes with context and point of view. Moreover, ideas about who is an artist vary in different cultural traditions, and become more complex as the line between professional and amateur blurs, and as technology and the Internet enable people to make and distribute their own creative products and access more easily the works of others. For the purposes of this report, we define the arts and culture broadly and inclusively, and posit both the "sovereignty of context" - that every community defines what it values and enjoys - and "cultural equity" - that, as folklorist Alan Lomax said, "The expressive traditions of all local and ethnic cultures should be equally valued as they represent the multiple forms of human adaptation on Earth."5 If all art forms are to be equally valued, this needs to be reflected in philanthropic practice.

# II. History and Context of Philanthropy in Arts and Culture

The best known cultural donors – Boston's Henry Higginson and Isabella Stewart Gardner; New York's J.P. Morgan, Henry Frick and Augustus Juilliard; California's Henry Huntington; Rochester's George Eastman; Philadelphia's Mary Louis Curtis Bok; Chicago and Washington's Elizabeth Sprague Coolidge, among many others – were different from those who organized their endeavors through general-purpose foundations. ... The kinds of assets they often devoted to their institutions – collections of art and homes or museums that housed them – led them to pursue very discrete philanthropic goals, if indeed their goals can be described as "philanthropic" in the ways many of their contemporaries were beginning to use the word.

> —James Allen Smith, Vice President and Director of Research and Education Rockefeller Archive Center

Unlike giving in most other fields, early American philanthropy in arts and culture was not motivated by a desire to relieve suffering, help the poor or find systemic solutions to pressing social problems. Starting in the late 19th century, cultural patronage focused primarily on building institutions to preserve and present visual art and music based in the classical European canon. There were several motivations, including the desire to promote civic pride, validate America's position as a "civilized" world power, and confirm the authority of the new urban commercial elite.<sup>6</sup> Support for artists was limited, and what there was focused primarily on commissions for public monuments or works for private collections.

Early patterns firmly linked arts patronage with class and social hierarchies. The founding patrons of institutions such as the Metropolitan Museum of Art and Metropolitan Opera, the Boston Museum of Fine Arts and the Philadelphia Orchestra were wealthy individuals in the upper echelons of society and people striving for that status. It was not until the work of the Rockefeller Foundation in the 1950s and early 1960s that philanthropic attention began to encompass a broader cultural universe, including community-based arts activity and support for artists' work independent of specific commissions.<sup>7</sup>

The first generations of cultural philanthropy did not support art in the service of social reform. Early 20th century American artists best remembered for their contributions to social justice – Jacob Riis's photographs, for example, or Upton Sinclair's novels and Ida Tarbell's essays - received no philanthropic support. Jane Addams at Hull House and other settlement house leaders understood that preserving cultural traditions and providing arts education were important ways to empower immigrants and give them agency in their new American context, and these programs did receive some funding from individual patrons. But for the most part, early cultural philanthropy did not support the democratic arts work of the settlement houses, or pay any attention to the arts and culture of Native American peoples, African Americans or immigrant groups from China, Europe and other parts of the world. Early arts philanthropy did not recognize the full range of cultural expression in America at the time, nor did it seek to serve the full range

Purpose	Activity supported
Sustaining the canons	Preserving, presenting, inter- preting and building audi- ences for important works from established artistic tra- ditions, and the institutions that house such work.
Nurturing the new	Creating, presenting, inter- preting and building audi- ences for new works by liv- ing artists, and organizations whose primary purpose is to support artists.
Arts education	Educating young people and adults in using the methods and techniques of different art forms, as well as art apprecia- tion and media literacy; and advocacy for fair and equi- table access for children of all backgrounds.
Art-based community development	Endeavors and organizations that intertwine artistic and community goals, seeking shared social benefits that range from building group identity and civic engage- ment to advancing civil rights and social justice.
Art-based economic development	Projects and organizations that integrate arts and cul- ture with economic develop- ment goals, including arts incubators, spaces for artists and art venues, physical renewal of neighborhoods, arts-based entrepreneurship and cultural tourism.

of people and communities residing here.

The field of cultural philanthropy has evolved since the late 19th century and now includes grants with a variety of purposes, summarized in the chart below. Some of these purposes include an explicit focus on art and social change, or serving marginalized populations. But early arts patrons' preference for the European high art canon, and for the institutions that reflect and support social elites, continues to frame funding patterns to this day. The majority of current arts funding supports larger cultural organizations dedicated to classical European artistic traditions and American iterations of these idioms. Both the audiences of and donors to these institutions are predominantly upperincome and white.<sup>8</sup>

#### CURRENT PROFILE OF PHILANTHROPIC SUPPORT

There are more than 100,000 nonprofit arts and cultural organizations in the U.S. today, including thousands of groups dedicated to artistic traditions from Africa, Asia, Latin America and the Pacific Rim, Native American tribal cultures and groups serving rural communities and other underserved populations.<sup>9</sup>

The distribution of funding does not reflect or respond to this pluralism. Groups with budgets greater than \$5 million represent less than 2 percent of the total population of arts and culture groups, yet in 2009, these organizations received 55 percent of all contributions, gifts and grants.<sup>10</sup> In 2008, the top 50 recipients of foundation grants for arts and culture received \$1.2 billion;<sup>11</sup> in 2009, the top 50 received more than \$800 million.<sup>12</sup> This national pattern is mirrored at the state level. In 2008, for example, nearly 30 percent of the arts funding by California-based foundations was awarded in just 29 grants to large museums, performing arts organizations and media groups.<sup>13</sup> Many of the top recipients are encyclopedic institutions that house or showcase works from around the world, but none of them is rooted primarily in non-European aesthetics, or founded and run by people of color.

Another way to understand the overall giving trends of arts and culture funders is to look



at the intended beneficiaries of grants. Relatively few arts and culture grants are explicitly intended to benefit lower-income people and the other disadvantaged populations, or to support art and social change. NCRP's recent analysis of the grantmaking by a set of 880 larger foundations between 2007 and 2009 is illustrative. Of this sample, taken from Foundation Center data, 95 percent of the foundations (836) made grants with a primary or secondary purpose of arts and culture. But only 10 percent of these arts and culture grant dollars were classified as benefiting one of the 11 underserved populations included in NCRP's analysis, and only 4 percent were classified as advancing social justice goals.

Of the 836 foundations, just 18 percent directed at least 20 percent of their arts funding to benefit marginalized communities and only 5 percent gave 25 percent or more to art and social justice programs. Only 4 percent (30 grantmakers) met both of NCRP's benchmarks – giving at least 20 percent to benefit marginalized communities and 25 percent to art and social justice programs.<sup>14</sup>

These data suggest that the greater a funder's commitment to the arts, the *less* likely it "We have developed an apartheid system regarding access to our great cultural institutions. Even with substantial public funding in many places, these institutions charge high admission fees that make attendance very difficult for middle class families, and completely impossible for lower-income people. These institutions are filled with things that will excite kids, and stimulate adults and family groups, but increasing numbers of children and families are being denied access. Foundations should not support institutions that are, in effect, exclusionary. Many foundations pride themselves on being "equal opportunity employers." Both public funders and private foundations should only be funding institutions that are "equal access institutions."

—David R. Jones, President and CEO Community Service Society of New York



Source: National Committee for Responsive Philanthropy, custom analysis from Foundation Center data sets, 2011.



Source: National Committee for Responsive Philanthropy, custom analysis from Foundation Center data sets, 2011

is to prioritize marginalized communities or advance social justice in its arts grantmaking. Between 2007 and 2009, grant dollars donated by funders who committed just 5 percent to the arts were almost twice as likely to be classified as benefitting marginalized groups as the grants given by funders who donated more than 25 percent of their grants to the arts.<sup>15</sup> Arts funders whose main focus lies outside the arts appear to value the catalytic role of the arts in serving social justice goals more than funders with larger arts portfolios.

Any coding system is imperfect, and many "general purpose" arts grants undoubtedly have the intention of benefiting the general public. It also may be true that these figures do not capture some grants whose purpose is to broaden and diversify audiences for mainstream cultural organizations, a portion of which do serve lower-income populations, communities of color and disadvantaged groups. In addition, these figures do not include data about grants under \$10,000, which, if included, might shift the percentages. Nevertheless, the Foundation Center database represents more than half of all foundation grantmaking, and all foundations grants are coded by the same guidelines. That just 10 percent of arts and culture grant dollars are classified as benefiting one of the 11 vulnerable populations included in NCRP's analysis warrants field-wide discussion and calls out for change.



Metropolitan Museum of Art building

### Trends in Arts Participation

Data from the National Endowment for the Arts' 2008 Public Participation in the Arts Survey document that just 35 percent of American adults attend "benchmark" arts activities, including live attendance at jazz or classical music concerts, operas, plays, ballets or visits to art museums or galleries, and this percentage has been declining over time. The endowment is currently analyzing the demographic patterns in the survey data, but the tables in the published study confirm that the majority of those who attend benchmark arts activities are white and upper-income. Almost three times as many white people attended classical music concerts as African Americans, for example, and whites' attendance at both musical and non-musical plays was more than twice that of Hispanics. Only in the category of Latin music did Hispanic audiences outnumber whites. Eight percent of people with incomes between \$40,000 and \$50,000 attended classical music concerts at least once in 2008, while more than 22 percent of people with incomes above \$150,000 did so. Just 7 percent of people with incomes between \$40,000 and \$50,000 attended non-musical plays at least once in 2008, while 24 percent of adults with incomes above \$150,000 did so.<sup>16</sup>

Related studies by the endowment, along with research by Maria-Rosario Jackson, Alaka Wali, Mark Stern, Alan Brown and others, document robust cultural activity taking place outside mainstream cultural institutions, including in lower-income communities, rural areas and neighborhoods comprising predominantly people of color. As attendance at mainstream cultural institutions has been dropping, demand for active participation in the arts, broadly defined, has been going up. The endowment estimates that close to 40 percent of U.S. adults are personally engaged in making art themselves, participating through media and technology, and attending community arts events such as festivals, street fairs, church choirs or other events in which they can participate or showcase their own work.



GRAPH 9: The Greater a Funder's Commitment to the Arts, the Less Likely They are to Prioritize Marginalized Communities or Advance Social Justice

Source: National Committee for Responsive Philanthropy, custom analysis from Foundation Center data sets, 2011.

### III. The Case for Change: Demographics

The rapidly evolving global economy demands a dynamic and creative workforce. The arts and its related businesses are responsible for billions of dollars in cultural exports for this country. It is imperative that we continue to support the arts and arts education both on the national and local levels. The strength of every democracy is measured by its commitment to the arts.

Art-making reflects a society's current demographic features as well as its intellectual, spiritual, emotional and material histories. Both the products and the processes of the arts evolve in tandem with the profile of a people. This fact makes addressing our country's changing demographics fundamental to effective philanthropy in arts and culture today.

#### **RACE AND ETHNICITY**

The 2010 Census puts numbers to our collective experience. The vital statistics of the United States are shifting at accelerating speed:

- Latino populations grew by 43 percent between 2000 and 2010, now comprising 16 percent of our total population and more than 40 percent in cities such as Phoenix (40.8 percent) Houston (43.8), and San Antonio (61).
- Asian populations also have grown, now making up 5 percent of the total population and as much as 31 percent in San Francisco, 15 percent in Seattle and 13 percent in New York City.
- Non-white populations grew by at least 20 percent in every region, most dramatically in the South (34 percent) and West (29 percent).<sup>17</sup>
- Immigrant groups contributed 30 percent of our total population increase in the last decade, and almost the entire upsurge in the 25-54 age cohort. For the first time in

-Charles Segars, CEO, Ovation

our history, the majority of foreign-born residents – nearly 80 percent – now come from Asia and Latin America rather than Europe.<sup>18</sup>

- Among American children, the multiracial population has increased almost 50 percent in the last decade, making it the fastest growing youth group.
- White people no longer are the majority in four of our states; overall, more than a third of our population is non-white.<sup>19</sup>

Our population never has been so diverse and the contours of our cultural landscape are shifting accordingly. The face of U.S. culture today is complex, nuanced and multicultural. It includes Native American, African American, Latin American and Asian American artists and organizations working in both ancient and contemporary idioms, as well as the arts and traditions of more recent immigrants from Africa, Asia, Latin America, the Middle East and the Pacific Rim. More than 300 languages are spoken in the United States. Each represents at least one cultural community, and many of them sustain "classical" art forms and "folkloric" traditions as well as contemporary, often hybridized, practices. In addition, there is a steady exchange between the nonprofit and the commercial arts, with influences flowing in both directions, and technology and the media arts impact almost all forms of creative expression today.

The number of nonprofit arts organizations in the U.S. has expanded exponentially in the past 30 years, and a substantial percentage of the new groups focus on non-European cultural traditions. Take the Silicon Valley, for example. In 2008, 70 percent of the region's 659 cultural groups were less than 20 years old, and 30 percent of the new organizations were ethnicity-specific, focused on the cultural traditions of India, Mexico, Japan, Korea, China, the Philippines and other places that reflect the region's changing demographics.<sup>20</sup> While Silicon Valley may be somewhat ahead of the national demographic curve, related changes are occurring in communities across the country. Diversity is the cultural norm of our nation today, and we need to affirmatively validate the entire spectrum if we are to see and understand our evolving nation clearly.

### **ECONOMICS**

The economic profile of our people is changing as dramatically as our demographics. Recent figures show that the richest 20 percent of U.S. households earn more than half of total income and the bottom 20 percent earn less than 4 percent.<sup>21</sup> The top 1 percent of households controls nearly 40 percent of total wealth. At least 43 million people (14.3 percent of the total population) live below the poverty line. The number of people living in impoverished neighborhoods is increasing, and exceeds 25 percent in places such as Detroit, Cleveland, Miami and Philadelphia. Many rural areas are disproportionately poor, and poverty rates reach or exceed 35 percent in parts of Appalachia, the Inland Empire of California, the rural West and Native American reservations, among other places.<sup>22</sup> Income disparity in the U.S. is greater than at any time since the 1920s, and puts us in company with oligarchic nations such as Russia, Egypt and Pakistan.

These are shocking statistics and represent worlds of stress and pain for millions of people, including more than 14 million children who live in poverty.<sup>23</sup> They also explain why the vast majority of cultural groups, especially those serving lower-income neighborhoods, "We need to look at this as culture not arts. We need more collective philanthropy – where many different funders, and different programs within one foundation work together to advance the health of a community or an organization. And we need to lengthen our timeframes and change our calculation of cost. This is long-term work. It doesn't help to fund the 'hot' organizations for a short period of time and then leave them. That does not build leadership, change conditions or ensure a sustained service."

—Lori Pourier, President, First Peoples Fund and Chair, Grantmakers in the Arts Indigenous Resource Network

remain small and financially challenged. The enormous increase in the number of cultural organizations in the past two decades is a testament to the universal desire for arts and culture in every community. The fact that threequarters of all cultural groups have budgets under \$250,000 is a testament to the disparity of resources available to support different communities' artistic aspirations.<sup>24</sup>



Students with their masks at the Custer County Art & Heritage Center in Miles City, Montana in an artist residency sponsored by the Montana Arts Council. Photo courtesy of Montana Arts Council.

### **Consumer Choice**



Cool Culture children and parents learn about collage with The Jewish Museum. Image courtesy of Cool Culture.

**Cool Culture** is based on the idea that all families should be able to participate in cultural activities regardless of their ability to pay. New York City's many museums and other cultural institutions are rich with experiences that stimulate curiosity and create important contexts for learning. Any child who does not have access to these essential learning experiences risks being left behind. Developed by Gail Velez and Edwina Meyers and a planning group of educators, parents, government officials and museum representatives, with early support from **Bloomberg** Philanthropies, Brooklyn Community Foundation and Taproot Foundation among others, Cool Culture is a partnership among 90 cultural institutions and 480 social service agencies, schools and after-school programs. Cool Culture provides admission passes that enable more than 50,000 lower-income families associated with the social service agencies and schools to attend and participate in the programs of cultural groups. Families are eligible to receive a Cool Culture Family Pass if they have a child enrolled in a participating early childhood program. Cultural liaisons at all participating childhood programs help families learn about and use the pass. Cool Culture represents an investment in the future – ensuring that all children grow up with cultural exposure and that cultural institutions continue to have diverse and growing audiences for their invaluable offerings. For more information, visit www.coolculture.org.

#### **CIVIC PARTICIPATION**

Civic engagement and democratic participation are tied strongly to socio-economic status, and voting rates parallel income levels. The U.S. Census Bureau reports that people with higher incomes vote in far greater numbers than those with more modest earnings. For example, only 56 percent of people with incomes in the range of \$20,000 to \$29,999 voted in the November 2008 election, in contrast to more than 76 percent of people with incomes between \$75,000 and \$99,999.25 Those with annual family income above \$75,000 are twice as likely to register and twice as likely to vote as those with family income of less than \$25,000.<sup>26</sup>

These significant differentials in voting rates have consequences for public policy in all realms. It is heartening, therefore, that a growing number of activist-artists and community-based cultural organizations are working explicitly to improve the representation of marginalized communities in the political process. Their efforts take multiple forms – using the arts in grassroots community organizing and nonpartisan voter registration drives, high-visibility concerts during election and ballot campaigns, and other strategies. These arts initiatives stimulate civic engagement and encourage all people to participate in representative government.

#### **EDUCATION AND HEALTH**

Along with voting patterns, educational and health disparities also parallel income trends, as NCRP reports in *Confronting Systemic Inequity in Education* and *Towards Transformative Change in Health Care* and other studies document. There is a close correlation between achievement of a bachelor's degree and median household income.<sup>27</sup> Educational inequality is one of the most important contributors to the dramatic rise in income disparity over the past 30 years.<sup>28</sup> Our public education system is not preparing young people for the global economy, and lower-income and African American youth in particular are falling behind. Only half of all students who enroll in college finally graduate, and rates have declined since the 1970s.<sup>29</sup> College graduation rates for African American students are significantly lower than others', in some places as much as 20 to 40 percent. Colleges with the highest proportions of lower-income students also have the highest dropout rates.<sup>30</sup>

Thousands of artist-teachers, artist-activists and arts groups are actively helping children stay in school and engaged in their own learning. This work is particularly important for the tens of thousands, maybe millions, of disadvantaged young people who are musical, kinesthetic or spatial learners and have the most difficult time in conventional classrooms.<sup>31</sup> Artist-teachers, especially, have helped mitigate the erosion of arts education in public schools. But recent research shows that access to arts education has declined dramatically over the past 30 years, particularly for lower-income and minority children, as public schools have become more segregated and curricula have emphasized teaching to the test rather than cultivating children's creativity, imagination and divergent thinking.<sup>32</sup>

Lower-income people also have the least access to quality health care, which results in higher rates of chronic disease and shortened longevity, among numerous other negative health indicators. New research is documenting the connections between people's mental and physical health and their opportunities to express themselves creatively and participate in the cultural traditions of their communities of origin. This research underscores the essential role that the arts play in the health and well-being of immigrant communities in particular.<sup>33</sup>

Activist-artists, tradition bearers and progressive cultural institutions are using their skills to illuminate our increasing cultural diversity, and to challenge our increasing social, economic and educational divides. They are helping disadvantaged groups give voice to their stories, their opinions and their aspirations for their communities. They are assisting people to exert their political and civil rights; communicate across racial, economic and political lines; and resolve differences without violence. These artists and arts organizations are powerful agents in the struggle for greater fairness and equity, and they are catalysts for imagination, communication and simple joy – which all people need, regardless of their circumstances. These resources are at every community's disposal and, with greater philanthropic support, they can be deployed more extensively and effectively.

### Fusing Arts and Social Justice

The **CrossCurrents Foundation** marries the interests of its two founders - community organizing and the arts. The foundation pursues social, environmental and economic justice by supporting projects in three categories: 1) artists using their work as social commentary, 2) building bridges between artists and organizations promoting equity, and 3) building the field of art and social justice. The foundation invests in projects that integrate the arts into community organizing and public education campaigns. One example was **Brushfire**, a coordinated series of exhibits that were mounted during the 2008 presidential campaign. In these shows – one in Washington, D.C., and others in museums and alternative spaces around the country – visual and media artists raised questions about a range of public policy issues as well as the nature of democracy in the 21st century and, in a nonpartisan way, encouraged viewers to become more civically engaged.

### IV. The Case for Change: Artists and Aesthetics

Art is the heart's explosion on the world. Music. Dance. Poetry. Art on cars, on walls, on our bodies. There is probably no more powerful force for change in this uncertain and crisis-ridden world than young people and their art. It is the unconsciousness of the world breaking away from the strangle grip of an archaic social order.

-Luis J. Rodriguez, Founder, Tia Chucha Press

Artists are the taproot of our cultural system. As our population becomes more diverse, the number of artists and the variety of their approaches expands simultaneously. To stay abreast of evolving contemporary arts practice and expand the arts' positive role in the lives of disadvantaged groups, funders must stay on top of evolving definitions of "art" and "artist" and embrace work that has different sources, goals and means, and sites of distribution. They also may need to develop some new metrics of impact.

" Artmaking exists along a spectrum. At one end of the spectrum is art that is so embedded in its culture it is not called art, and at the other end of the spectrum is art so separated from its culture that the more separate it is, the better it is. Each kind of artmaking has something powerful to do, and it is exciting as things get mixed up in the space between. Of course, we have favored one end of that spectrum for a long time. If we could hold two ideas in our head at the same time, we could see that we will not disparage the value of that part of the field to bring more balance to supporting other parts of the spectrum."

> —Liz Lerman, Founding Artistic Director Dance Exchange

Artists constitute a marginalized population – they are relatively well-educated but poorly paid and, in general, not validated by public opinion or professional status. U.S. labor statistics indicate that 2 million people define themselves as professional artists.<sup>34</sup> Many think this is a significant undercount because it does not include the tens of thousands of folk artists, tradition bearers, highly accomplished amateurs and others who do not self-identify as professional artists.

While their numbers are growing, artists are not highly regarded. In 2003, a national poll by Princeton Survey Research Associates International revealed that 90 percent of American adults value art in their lives, but only 27 percent believe artists contribute a lot to the good of society.<sup>35</sup> Sixty percent of artists make less than \$40,000 in annual income, more than 20 percent below the average for full-time workers.<sup>36</sup> The majority of artists derive less than \$7,000 a year from their artwork and 70 percent hold at least one other job in addition to making art.<sup>37</sup> Artists experience unemployment at rates double that of other professions,<sup>38</sup> and – like other lower-income people – are underinsured. Four in ten artists do not have health insurance and a majority worry about losing what they have.39

Given artists' central importance to the health and vitality of the arts and the tough economics of their work lives, philanthropy plays a key role in expanding prospects for them to pursue their work and serve their communities. Yet support for artists is a minor fraction of total philanthropic giving. The New York Foundation for the Arts' NYFA Source, the most comprehensive listing of fellowships and other awards for artists, includes some 3,600 award programs, which distribute approximately \$91 million in grants to artists.<sup>40</sup> This is equivalent to less than 4 percent of the \$2 billion in annual foundation support for arts and culture. Many foundation grants to cultural institutions include fees for artists, of course, but given the freelance reality of most artists' lives, the ratio between support for cultural institutions and direct support for individuals is significantly out of balance.

The data on fellowships and awards in NYFA Source were last analyzed as part of the Urban Institute's *Investing in Creativity* study in 2003. At that time, more than 50 percent of awards were small (under \$2,000) and close to 80 percent were under \$10,000. Artists can and do make a great deal out of few resources, but these award levels do not go very far in supporting either a full art work or provide a living wage.

In addition, there are great disparities in the philanthropic funds available for different disciplines. In 2003, for example, there were more than 1,000 award programs for writers and literary artists. Yet, there were only 197 awards for folk artists,<sup>41</sup> the vast majority of whom work in lower-income communities, rural communities or in the cultural traditions of people of color.

Artists working in classical European art forms remain a large and important part of our cultural mix, and numerous artists working in these traditions are using their skills to draw attention to social inequities. Bill T. Jones, Maya Lin and David Henry Hwang are just a few among many. But as our demographic diversity increases, so does the number of artists and tradition bearers working in art forms outside the European classical canon. Many of these artists' practices are essential to the identity of specific communities and central to their systems of social and economic support, as well as their resistance to forms of oppression and discrimination. " In rural parts of Montana and other places as well, artmaking is a second income for many people that allows them to stay on the farm, on the ranch, in their communities. Teaching music classes, selling paintings or craftwork – these are important parts of many people's livelihoods, and another way that the arts contribute to community cohesion."

> —Arlynn Fishbaugh, Executive Director Montana Arts Council

Native American basket-making and storytelling; Cambodian dance; Mexican mariachi; Hawaiian hula; Brazilian capoeira; Blues, jazz and hip hop forms rooted in the African American experience – these are but a few of the hundreds of distinct cultural traditions being advanced by artists in our country today. Each tradition has standards of quality and mastery that are knowable and supportable, even if they currently are unfamiliar to foundations.

In addition to the artists and tradition bearers who are preserving and extending non-European cultural traditions, many thousands of others are contemporizing these art



The Ashé Mural, work of the Ashé Visual Artists Guild, adorns the wall of a building adjacent to the Ashé Cultural Arts Center. It is one of the most photographed art pieces in New Orleans. Lead artists: Shakor and Ivan B. Watkins. Photo courtesy of Ashé Cultural Arts Center.

"Culture and art are critical components to transformation in marginalized communities. But if the evaluators and decision-makers have a standard of performance and expectation that is inconsistent with the fundamental premises and values of the organization, then the institution will always fall short in their eyes. Is there only one standard we can apply to determine a project or institution with promise? Don't we need a more imaginative set of lenses through which to look for and see transformation?"

> —Carol Bebelle, Co-Founder and Executive Director Ashé Cultural Arts Center

### Foundations Aligning Themselves with NCRP's Philanthropy's Promise

To date, more than 70 foundations are signatories to a new initiative called "Philanthropy's Promise." Launched by the NCRP, the campaign acknowledges foundations that make a public commitment to providing:

- 1. At least half of their grant dollars for the intended benefit of underserved communities, broadly defined; and,
- 2. At least one quarter of their grant dollars for systemic change efforts involving public policy, advocacy, community organizing or civic engagement.

As of now, arts and culture funders who have signed on include:

- The California Endowment
- Ford Foundation
- The McKnight Foundation
- Meyer Memorial Trust
- Open Society Foundations
- Silicon Valley Community Foundation
- The Wallace Foundation

forms, often mixing them with ideas and customs from other traditions and with elements of popular culture. These practices, too, have standards of quality that are explicit, known to the community of practitioners and their followers, and available to be understood by funders and others.

Additional changes in contemporary artistic practice also are at work. People continue to value the artistic *products* of the human mind and hand – paintings, musical scores, plays, dances and other works of art. But increasingly, we understand that the *processes* of art-making are equally important – as tools for enhancing individual creativity, stretching brain plasticity, bridging differences and facilitating social change. Art is an end in itself, but it also is a powerful means to achieve other goals, including effective education, community health and economic development, as well as greater political equity.

A hopeful sign in this regard is the growing movement for art and social justice. This movement encompasses artists, community organizers, youth workers, funders and others operating at the intersection of artistic practice and community activism. They are working on a wide range of public policy issues immigration, gay and lesbian rights, affordable housing, prison reform, food justice and environmental racism among them. The Foundation Center reports that funding for arts and culture-based social justice initiatives doubled between 2002 and 2006, to \$26.7 million, and grew to \$28 million in 2009.<sup>42</sup>

Americans for the Arts' 2010 study, *Trend or Tipping Point: Arts and Social Change Grantmaking*, illuminates this expanding realm of funder interest. The study is based on 32 interviews and survey responses by 228 public and private grantmakers, including 70 foundations and nonprofit organizations that make grants. The report identifies more than 150 grantmakers that are supporting arts for social change. A number of national foundations with significant arts portfolios have long-standing commitments to this work, including the Ford Foundation, Open Society Foundations, The Nathan Cummings Foundation and Lambent Foundation, but the greatest growth is occurring among community foundations, family foundations and small private foundations, some of which are relatively new to funding the arts. Approximately 20 percent of the 157 funders identified in the study fall into this category, including the Proteus Fund, Pacific Pioneer Fund, Quixote Foundation and Valentine Foundation, among others.<sup>43</sup>

Trend or Tipping Point documents growing foundation support for artists and cultural organizations that are braiding their artistic practice with community activism. It provides a useful compendium of current funder practice and ideas for expanding the scope and impact of this work, but linking art and activism and using the arts to empower the disenfranchised are not new phenomena in our country. Such practices go back at least to the days of the earliest Negro spirituals. As noted earlier, settlement houses were engaged in this work in the late 19th and early 20th century, and the settlement house programs had a direct impact on the design of the arts initiatives of the Works Progress Administration and the democratic arts movement during the Great Depression. Artist-activists were centrally involved in the civil rights struggle of the 1950s and 1960s.

Since the mid-1960s, leading practitioners have tested, refined and documented methods for simultaneously making strong art and strengthening communities:

- Judy Baca and Social and Public Art Resource Center
- Liz Lerman and Dance Exchange
- Bernice Johnson Reagon and Sweet Honey in the Rock
- John Malpede and the LA Poverty Project
- Jawole Willa Jo Zollar and Urban Bush Women
- Dudley Cocke and Roadside Theater
- Ron Chew and Wing Luke Museum
- Umberto Crenca and A.S. 220
- Bill Cleveland and the Center for Art and Community
- Linda Frye Burnham and Steve Durland and Art in the Public Interest.

### Trend or Tipping Point: Arts & Social Change

Trend or Tipping Point: Arts & Social Change provides valuable information about the scope of this emerging field, motivations of different funders to make grants in this area, funding strategies that are being used and barriers to further philanthropic support for these efforts. It also includes profiles of leading funders as well as a compendium of information about relevant affinity groups and other resources, including the Arts & Social Justice Working Group of Grantmakers in the Arts. As the study shows, there is a clear opening to further strengthen this emerging field of funder practice by expanding its visibility, building funder knowledge, encouraging collaborations and participation by additional funders and individual donors, and documenting impacts.44

These and many others are among a generation of path-breaking senior artist-activists and art-based community organizers.

These pioneers' proven practices are now being taken up, adapted or re-imagined by succeeding generations that include:

- Rick Lowe and Project Row Houses and Transforma
- Carol Bebelle and Ashé Cultural Arts Center
- Nick Szerba and Thousand Kites,
- Jeff Chang and Can't Stop Won't Stop
- Eugene Rodriguez and Los Cenzontles Mexican Arts Center
- Gayle Isa and Asian Arts Initiative
- Lori Pourier and First Peoples Fund
- Jordan Simmons and East Bay Performing Arts Center
- James Kass and YouthSpeaks
- Clyde Valentin and HipHop Theater Festival
- Theaster Gates and Marc Bamuthi Joseph and hundreds of others.

Their methodologies of art and social change are documented in a growing body of various resources including books, studies,

### Six Barriers to Equity in Arts and Culture Funding

Statements frequently heard from funders	Possible rationale behind the statement	How to improve knowledge and advance equity in arts and culture funding
"We care about artistic quality; this work's not good enough."	"This work is not familiar and we don't really understand it." "This work doesn't meet standards set by people outside of the communities where the work takes place."	Quality is an essential criterion in funding decisions, but what is deemed "quality" may differ from community to community. Along with imagination, talent and skill, <i>rel- evance</i> and <i>local context</i> must be elements in assessing quality.
"It's not art, it's social work."	"The people doing this are not part of the social class we asso- ciate with high art forms; we don't know these people; fund- ing these organizations does not conform with our world view."	Recognize that there is a sociological dimension to all artistic endeavors (including "high art"). Think about the interests and relative needs of the people that will benefit from the grant.
"We don't think the arts can or should be a strategy for achieving social goals."	"This kind of practice will likely challenge the status quo, it may threaten our other professional interests, or we ourselves may be the subject of criticism."	Recognize that all artistic practice and all arts institutions have social goals – and consider whose social goals or needs are being served with your grants.
"There's no evidence of impact, or standards for this kind of work."	"We are not familiar with the his- tory of this work, haven't read the numerous reports or heard evidence about these programs' outcomes, nor actually seen this work in action."	Examine the evidence of impact that does exist; read the literature on methodologies and standards; ask producers of this work about the tra- ditions in which they work and what their internal standards are.
"This is all too new."	"We don't know the history of this field of practice."	Engage advisors familiar with these practices; talk with other funders who have experience in these areas.
"We don't have enough money."	"We might have to reduce fund- ing to groups important to our board in order to accommodate those we don't."	Raise strategic questions about the tension between legacies and equity with the board. Ask organizations whose stated aim is to serve the entire community to collect and share evidence that they are doing so. Partner with other organizations and funders, including state arts agencies, to maximize funding.

films and websites, and their practices are being taught in a growing number of academic programs. There are seasoned activistartists, community-based organizations and intermediaries working in or near every community in our country.

Artist-activists and culture-based community animators who are focused on social change operate first and foremost on the spirit, identity and hope of the people and the communities where they work. They help people give voice to their views and, in the words of playwright Ariel Dorfman, "subvert the suffocating official stories."45 But many, if not most, of these practitioners are working on more tangible matters, as well. They are shaping the physical characteristics of their neighborhoods with art-based community centers, mural projects, public art installations and other temporary and permanent improvements to the visual fabric. Ron Chew's report, Community-based Arts Organizations: A New Center of Gravity, provides a valuable profile of this important and growing cohort of cultural institutions that marry high-level artistic work and effective grassroots community empowerment.<sup>46</sup> Their artistry is inflected with community development goals, and their community development work has aesthetic dimensions. They operate across sectors and in partnership with organizations in health, education and

human rights, as well as economic development and community enterprise. Related research by Ann Markusen, Jeremy Nowak, Maria-Rosario Jackson, Mark Stern and others also documents the ways that such community-based organizations are reimagining and revitalizing neighborhoods in places as different as Providence, R.I.; Fond du Lac, Wis.; Cleveland, Ohio; Boise, Idaho; Brooklyn, N.Y.; Elko, Nev.; and Los Angeles, Calif. – making them more livable, more civil and more economically viable.<sup>47</sup>

Many of these organizations do not fit the classic model of an arts institution, operating more on a collectivist or community organizing model that embeds community engagement and responsiveness throughout their activities. Their missions are focused on guality in both community development and artmaking, and their impacts on community residents and community health are at least as important as the validation they may receive from the mainstream arts establishment. As Mark Stern and others have documented, their internal structures are more informal than conventional arts institutions, their modus operandi more nimble and opportunistic, and their resources almost never in line with their commitments.<sup>48</sup> They can seem "irrational" if viewed by conventional assessment criteria. But the point is that the conventional criteria do not fit because these

### **Suggested Resources**

- Arlene Goldbard: *New Creative Community* (New Village Press, 2006).
- Robert Putnam: *Better Together: The Report of the Saguaro Seminar: Civic Engagement in America* (Harvard University, 2001), http://www.bettertogether.org/thereport.htm.
- Liz Lerman: *Hiking the Horizontal* (Wesleyan University Press, 2011); also www.danceex-change.org/toolbox.
- Maria-Rosario Jackson: *Culture Counts in Communities: A Framework for Measurement* (Urban Institute, 2002).

- Mark Stern and Susan Seifert: Social Impact of the Arts Project, University of Pennsylvania, www.sp2.upenn/SIAP.
- Linda Burnham and Steve Durland: Art in the Public Interest, www.facebook.com/communityarts and www.wayback-archive-it.org/2077/ 20100906194747/http://www.comunityarts.net.
- Bau Graves: *Cultural Democracy: The Arts, Community and Public Purpose* (University of Illinois Press, 2005).
- Jeff Chang: *Can't Stop Won't Stop* (St. Martin's Press, 2005; Picador, 2006).

organizations are not pursuing a conventional mandate. The criteria needed to assess the success of these groups must take into account their distinctive ambitions and contexts. Further, approaches to boosting their capacity and effectiveness must be valuesbased and responsive to local circumstances.

Tradition bearers, activist-artists, teaching artists, hybrid artists – they go by different names and they have somewhat different approaches, but together they represent a growing segment of our artist population and their work is expanding the scope of artistic practice and the role of the arts in improving the lives of disadvantaged populations. In independent projects and through organizations they have created to advance this work, these artists are ensuring that the arts are creatively and affirmatively addressing social, economic and political inequities and improving opportunities for all. They are powerful and worthy partners for funders of all kinds, and it is time to broadly validate and support their practice.

### Advancing Black Arts

Despite the fact that Pittsburgh is more than 25 percent African American, the city lags in the presence of stable organizations and individuals whose work focuses on the art of African Americans, Africa and the larger diaspora. **The Heinz Endowments** has a history of more than two decades of supporting multicultural organizations with project support and technical assistance. Recently, the foundation reassessed its overall arts strategy, one result of which is a new program, **Advancing Black Arts**. This program recognizes that race-related social and economic disparities have left most black artists and cultural organizations with low levels of government and foundation support, few individual donors, little or no endowment income and small audiences. Moreover, few African American cultural groups have the working capital that is essential for artistic risk-taking, program experimentation and healthy finances. Advancing Black Arts, launched in early 2011, has four components: 1) operating support for core African American organizations with clear goals for artistic, management and governance; 2) fellowships for African American artists; 3) project grants for organizations based in the African diaspora's tradition; and 4) field-building initiatives that enhance the visibility, artistic vibrancy and sustainability of the community of Black arts. For more information visit www.heinzendowment.org.



Artists and organizations, such as The African Dance Ensemble, have access to stronger regional resources through the Advancing Black Arts Fund. Photo credit: Josh Franzos for The Pittsburgh Foundation.

### V. The Case for Change: Cultural Economics

The top 1 percent have the best houses, the best educations, the best doctors and the best lifestyles, but there is one thing that money doesn't seem to have bought: an understanding that their fate is bound up with how the other 99 percent live.

> —Joseph E. Stiglitz, "Of the 1%, By the 1%, For the 1%" Vanity Fair, May 2011

Every ecological system requires diversity of living forms, and its multiple parts must all be healthy if the system as a whole is to thrive. The components of an ecosystem may compete for resources, but they are interdependent and symbiotic. Biodiversity ensures resilience in the entire system, and gives it greater capacity to respond to change. For the most part, the smaller organisms exist on the edges of an ecosystem, and this is where the greatest experimentation and genetic diversity occurs. This diversity feeds and refreshes the system and without the innovation and experimentation that takes place at the margins, the larger community loses its vitality.

The cultural sector is an ecosystem, and the vibrancy and resilience of all its parts – especially of those at the margins – are important to the viability of the whole. We need *healthy* biodiversity – robust and wellfunctioning entities in all parts of the system. We need this to feed the development of artistic ideas and the cultural imagination, to attract and engage audiences as broad and varied as the American people, and to enable our cultural system to truly empower our democratic one.

The economics of cultural philanthropy are extremely skewed and this restricts the ability of thousands of artists and smaller cultural organizations to advance their practice and contribute substantively to their communities. This includes most groups that serve lower-income communities; rural communities; communities of color; gay, lesbian and transgender communities and other underserved populations, broadly defined. There are many reasons why this is true. Some of these groups have difficulty because their kind of art-making is not well understood or lacks production values traditionally associated with quality. For some, the work may be stale and uninspiring or the requisite artistic and managerial leadership may be lacking.

But the underlying reason why most small and mid-sized organizations struggle is because they have limited access to capital, especially to foundations, wealthy donors and other sources that can contribute meaningful sums over sustained periods of time. This diminishes their annual revenue and their ability to build financial reserves, which in turn constrains their programming and ability to engage audiences, which then limits their capacity to raise funds to improve their artwork and fulfill their social missions.

#### **REVENUE MIX**

Data in the National Center for Charitable Statistics (NCCS) Core File confirm this reality. The NCCS Core File includes financial information on organizations that report at least \$25,000 in gross annual receipts and file a Form 990 with the IRS. In 2009, there were 39,871 arts and culture groups in the NCCS Core File. Of this cohort, groups with budgets

	Contributions,	Net Special Events	Investment	Program Services and	Dues, Net Sales & Other
Budget	Gifts & Grants	Income	Income	Contracts	Income
Less than \$500K	51%	2%	3%	37%	6%
\$500,000-999,999	9 59%	2%	3%	34%	2%
\$1-5 mil.	60%	1%	3%	34%	1%
More than \$5 mil.	61%	0%	4%	35%	0%

#### TABLE 1: Arts Nonprofit Revenue Sources by Budget Size

Source: Urban Institute, National Center for Charitable Statistics Core File (2009), 2011.

under \$500,000 generated half of their revenue from contributions and grants. Groups with budgets of more than \$5 million received four times as much money – 60 percent of their revenue – from such sources (Table 1).<sup>49</sup>

Groups with budgets greater than \$1 million are more likely than smaller groups to have endowments and restricted funds, so they generate more income from investments.<sup>50</sup> Information from the Cultural Data Project, for example, shows that groups in New York State with budgets below \$500,000 earn 3 percent of their revenue from investments while those with budgets greater than \$5 million earn close to 19 percent of their revenue from investment income.<sup>51</sup>

Smaller organizations earn a larger percentage of their budgets from program services than their larger counterparts, a healthy dimension of their business models. For many small and community-based organizations, services such as teaching classes and workshops are an important way to pass their cultural traditions to the next generation. But overall, most small groups attract fewer program participants and audience members than larger institutions, so these sources of income also are limited. Earned income potential is further constrained for organizations serving lower-income populations, whose audiences cannot afford even modest ticket prices.

Table 2 illustrates data from the NCCS on the cohort of arts and culture groups in its Core File. This reveals the share of all contributions, investment income and program services for organizations of different budget sizes, demonstrating the disparity between the smallest and largest groups. For example, groups with budgets smaller than \$500,000 represent 84 percent of the cohort, but they received just 18 percent of all contributions, gifts and grants, while those with budgets greater than \$5 million (less than 2 percent of the total cohort) received 55 percent of all contributions. Similarly, groups with budgets smaller than \$500,000 generated 16 percent of all investment income in the cohort, while groups with budgets of more than \$5 million generated 59 percent of such income.<sup>52</sup>

#### **PRIVATE INDIVIDUALS**

As every arts and cultural organization knows, giving by individuals is an essential source of support and it is getting more important with time. Data on individuals'

#### **Net Special** Program Dues, Net **Total Art** Contributions. **Events** Investment Services and Sales & Other Nonprofit **Budget Gifts & Grants** Income Income Contracts Income Revenue Less than \$500K 18% 54% 16% 21% 78% 20% \$500,000-999,999 7% 17% 6% 7% 9% 7% \$1-5 mil. 20% 29% 19% 19% 17% 20% More than \$5 mil. 55% 0% 59% 53% -4% 53%

#### TABLE 2: Distribution of All Arts Nonprofit Revenue By Recipient Budget Size

Source: Urban Institute, National Center for Charitable Statistics Core File (2009), 2011.

giving to artists and cultural organizations serving disadvantaged populations is sparse, but the information that is available suggests that the imbalance in private foundation funding is echoed in the giving patterns of individuals. A study of the charitable giving among affluent households by The Center on Philanthropy at Indiana University, for example, reports that 71.6 percent of high net worth households gave to the arts in 2009, while only 7.8 percent of households in the general population did so.<sup>53</sup>

In lower-income communities, contributions by individuals often come in the form of gifts of time or in-kind services, and this phenomenon may not be captured adequately in the numbers. Researcher Francie Ostrower and others have explored the motivations of high net worth donors in the arts,<sup>54</sup> but we know relatively little about why and how lower-income people contribute. This dimension of the economics of the arts deserves greater study and analysis.

Some innovative funding programs, such as the Bay Area's Fund For Artists, developed by the San Francisco Foundation and East Bay Community Foundation, have stimulated individual donors to give to artists and their organizations. And there is evidence that artists and small and mid-sized cultural organizations serving disadvantaged populations are making use of new online tools such as Kickstarter.com and Indiegogo.com and other creative mechanisms to raise friends and funds. It remains true, however, that most artists and organizations serving marginalized populations are at a significant disadvantage in attracting meaningful sums from individuals.

### **PUBLIC FUNDING**

Patterns vary from state to state but, overall, public funding for the arts is declining.

- In several states, recent cuts to state arts agencies have exceeded 50 percent, and this year Kansas eliminated funding its state arts council altogether.
- Between 2001 and 2010, total legislative appropriations to state arts agencies

### Connecting Artists and Individual Donors

The Fund For Artists Matching Commissions **Program** (FFMAC) is a collaboration between The San Francisco Foundation (SFF) and East Bay Community Foundation (EBCF) designed to build individual donor capacity and bring new resources to artists. Conceived in 2004 by John Killacky (then at the SFF) and Diane Sanchez at EBCF, the program offered grants of up to \$10,000 for the creation of new work, and required that funds be matched by contributions from individual donors. Over seven years, the initiative raised more than \$2 million and supported a wide array of artists throughout the Bay Area. With seed funding from Leveraging Investments in Creativity (LINC) and the Ford Foundation, Hewlett Foundation, James Irvine Foundation, Surdna Foundation and Phyllis C. Wattis Foundation, FFAMC has stimulated more 4,600 individual donors to contribute in excess of \$1 million to more than 150 artists' projects, involving 240 artists. For many of these donors, the FFMAC was their first experience contributing to artists and to the creation of new work. For hundreds of them, it has created a lasting appetite for this kind of philanthropy. For more information, visit http://www.sff.org/programs/arts-culture/ fund-for-artists.



Fund For Artists Matching Commissions grantee, the Sangati Ensemble, at a house concert. Photo by: Harsal Jawale.

declined 39 percent, from \$450.6 million to \$276 million.

- Direct expenditures on the arts by local governments have declined by almost 20 percent in the past three years, down \$169.5 million – from \$858 million in 2008 to \$688 million in 2010.<sup>55</sup>
- Calculating these drops cumulatively, since 2001 the arts sector has forgone more than \$1.2 billion in state support alone, not adjusting for inflation.

Because of their broad mandate, public arts agencies - federal, state and local - have been more accessible than private foundations to cultural groups serving lower-income communities, communities of color, rural communities, other marginalized groups and - until the early 1990s - to artists. Public funding programs such as the Folk Arts and Expansion Arts programs of the National Endowment for the Arts and the Cultural Equity Program of the San Francisco Arts Commission pioneered approaches in supporting the work of artists and arts organizations in these communities. The state arts agencies involved in the START Program (State Arts Partnership for Cultural Participation), funded by the Wallace Foundation from 2001 to 2005, refined the concept of the public value of the arts and drew attention to the importance of genuinely serving diverse populations, including disadvantaged groups.56

Public sources of funding are extremely important to smaller organizations and those serving disadvantaged populations, in part because public funders offer general operating support on an ongoing basis, and in part because many private sources – foundation, corporate and individual – look for evidence of public funding as a prerequisite for their own grants.

Limited access to gifts and grants from philanthropic sources means that many smaller organizations, including those serving disadvantaged populations, are more dependent on public funding than larger groups. A recent, informal study by San Francisco Grants for the Arts based on Cultural Data Project (CDP) information, for example, revealed that Bay Area groups with budgets less than \$250,000, on average, received 24 percent of their funding from local, state and federal government sources while, on average, public funding accounted for only 6 percent of revenue for groups with budgets more than \$1 million.<sup>57</sup> A similar review of CDP data for cultural organizations in Harlem and East Harlem showed a recent pattern: groups with budgets less than \$250,000 received 36 percent of their contributed revenue from government sources while groups with budgets more than \$1 million received 20 percent of their revenue from these sources.<sup>58</sup>

The cuts in public funding mean that fewer organizations and artists will be funded, and that the grants that are made will be smaller. This has direct impact on cultural groups and their programs. But there are secondary effects on private funders, who will see a jump in the needs of cultural groups and increases in requests for funding. Also, state and local panel processes and vetting systems have provided an important filter for private funders, giving a seal of approval that assured private funders of a group's essential quality. As one foundation officer put it, "With the cutbacks, now we won't know if the absence of public support reflects a group's lack of quality or the state's lack of money. This will cause us to be more cautious in our decisions."

The reverberating impacts of the recession, the current political climate and the widespread hostility to government spending threaten prospects for arts and culture funding. These trends are shifting the funding landscape for all cultural groups, but they are most ominous for the artists and organizations based in and serving lower-income communities and marginalized populations. Private funders cannot replace the role of the public sector, but the shifts in public sector funding have both immediate and long-term implications for the cultural ecosystem, particularly for the smaller, newer, edgier parts of that system and the artists and groups serving our least advantaged communities. This is another compelling reason for private funders to reconsider the balance of their grantmaking in the arts.

### VI. Pathways Forward

We are what we do, especially what we do to change what we are.

-Eduardo Galeano, novelist

The face of art and culture in the United States is changing. Our question is whether cultural philanthropy will change with it. Currently, there is a serious imbalance between the allocation of philanthropic funding and the diversity and distribution of arts and cultural resources across our communities. This imbalance diminishes the ability of thousands of artists and cultural organizations to enrich the lives of countless people and neighborhoods. It neglects the creative voices of millions and it limits the capacity of art and culture to address the most pressing issues of our day. The asymmetry disadvantages *all of us* by restricting the types of cultural expressions we experience, and thus our understanding of what our culture is becoming.

Understanding our history can help us to overcome it. The history of arts philanthropy in the United States is largely a story of building *institutions*, and preserving or creating *artistic objects* and products. We have paid far less attention to strengthening *people and communities* through *artistic processes*. In the past 100 years, we have made a science of developing nonprofit arts institutions but we are still relative neophytes in understanding the role of the arts in catalyzing individual and community capacity, and sus-

### Culture for Change

The Culture for Change Project (CfC), now an initiative by **The Boston Foundation**, was launched in 2007 by the **Barr Foundation** in partnership with **Health Resources in Action** (formerly The Medical Foundation). The program supports ongoing collaborations among artists, youth workers and young people, using the arts to build leadership and self-esteem among children and teens of all races and ethnicities and engage them in

addressing social change. CfC emerged as a response to the desire of Out-of-School Time (OST) staff members to enhance their programming with more creative and effective tools. The Barr Foundation supported a year-long research effort involving OST staff, youth workers, local artists and young people. The resulting data showed the overlaps in interests and needs and were used to shape the program. CfC helps OST staff and youth workers expand their knowledge of youth development and the creativity of their programming. It enables local arts organizations and artists to meet the needs of the city's disenfranchised youth through projects that explore and celebrate the positive aspects of youth culture. And the program responds to young people's articulated desire for more cultural activities and a broader range of out of school time options.

> Young participants at the Upham's Corner Community Center work on a stained glass sculpture. Photo by Lana Jackson.



## PLACE (Place, Land, Arts, Culture and Engagement)

In 2010, the **Tucson Pima Arts Council** launched the PLACE initiative, with support from **The Kresge Foundation**, to support arts-based civic engagement projects that address contested and complex social issues in the community. An array of artists and organizations was invited to submit proposals for projects to address social/political concerns, equity, justice and community well-being. Projects involving neighborhoods, arts organizations, artists, schools and community organizations across Pima County were supported. A sampling includes:

- Finding Voice Program, Catalina Magnet High School – refugee and immigrant students used autobiographical writing and photography to record their experiences while participating in civic engagement projects.
- Filmmaker Jaime A. Lee developed a website and short film about the power of our stories to connect us, prompting conversations between members of the lesbian, gay, bisexual and transgender community and their neighbors.
- NEW ARTiculations Dance Theater created a community-based dance performance and offered workshops for children, youth and adults that raised awareness of issues of water scarcity, riparian ecosystems and Sonoran Desert ecology.
- Pan Left Productions involved neighborhood organizations in offering media literacy and production courses for youth, homeless people and those living in poverty.
- Toltecali Academy/Barrio Sustainability Projects paired students and community members to study neighborhood environmental issues such as TCE (trichloroethylene), a ground water contaminant, and create a mural reflecting their community work.

taining individual and community health. Our historical concentration on institutions and products interferes with contemporary philanthropy's ability to reach a broad crosssection of the American public and create a much larger context and field of impact for the arts in our society today.

A growing number of funders – some with long legacies in the arts and many whose primary interest lies in other areas such as education, health care, human rights and the environment - are supporting efforts to expanding the role of the arts, especially in disadvantaged communities, and to integrate the arts into processes of social change. These funders are having notable success in helping nurture the diverse cultural traditions alive in our increasingly multicultural communities. They are helping to strengthen the social and physical fabric of marginalized communities, engage young people in their own education, and spur people's engagement in civic issues and the democratic process.

But every arts and culture-focused foundation, regardless of mission, can make equity a core principle of its grantmaking by paying more attention to the people who will benefit from its grants and the processes by which the arts and culture provide those benefits.<sup>59</sup> Quality is still an important consideration in all funding of the arts, but quality is not and never has been an absolute. Quality must be considered in the terms of the artistic or cultural tradition being pursued, and in light of

" In my experience, board members may be more open to discussion of equity issues, including race and class, than would appear. Sometimes, it's the staff that gets in the way because we are hesitant to raise such sensitive issues, or we don't know how to change policies and practices if the board endorses a stronger commitment to equitable grantmaking."

> —- Justin Laing, Program Officer The Heinz Endowments

relevance to and impact on audiences. In the arts, risk-taking and imagination are at least as important as virtuosity, perhaps never more so than the present. More artists and communitydriven arts organizations are advancing the arts in ways that contribute to democratic participation and civic engagement. More private funders can use their imaginations, and take more risks, to do the same.

As noted at the start of this report, the purposes of arts and culture funding can be grouped broadly into five areas: sustaining the canons, nurturing the new, arts education, art-based community development and art-based economic development. In practice, many grants are made with several of these purposes in mind. But teasing them apart can help clarify the aims of each kind of philanthropic investment and reveal the possibilities in every area for grantmaking that will benefit underserved communities and promote greater equity, opportunity and justice. Further, it reveals pathways for cultural groups, artists and cultural funders to find common cause with foundations in sectors such as community development, education, social justice, human rights and public health, as well as the arts.

The possibilities for new approaches are countless and each foundation can find its own inventive path. On the following pages we pose a few questions to stimulate discussion.

### A Funding Typology and Pathways to Change

Are at least 20 percent of our funds directly benefiting lower-income and other disadvantaged communities? Are at least 25 percent of our funds promoting equity, opportunity and justice in our society?

#### SUSTAINING THE CANONS

**PHILANTHROPIC FOCUS:** Preserving, presenting, interpreting and building audiences for important works from established traditions, and the institutions and buildings that house such work.

#### QUESTIONS THAT LEAD TO INCREASED EQUITY:

- Do we recognize and support canons outside the Western European tradition?
- Are we supporting organizations focused on Native American, African American, Asian American and Latin American traditions?
- Are we ensuring audiences' access to works in all the classical traditions from Asia, Africa, the Pacific Rim as well as Europe?
- Are we supporting "demand side" strategies to build audiences by funding community groups, vouchers or other mechanisms that give disadvantaged consumers more cultural choices?

#### NURTURING THE NEW

**PHILANTHROPIC FOCUS:** Creating, presenting, interpreting and building audiences for new works by living artists and tradition bearers, and the institutions and buildings that house such work.

#### QUESTIONS THAT LEAD TO INCREASED EQUITY:

- Do our programs recognize the diversity of art forms being created in the U.S.?
- Are we recruiting actively applications from artists and organizations working outside the European canon?
- Are our proposals judged by people with expertise in diverse art forms and different aesthetic traditions?
- Do we recognize art and social change as a form of art making?

Ecology" from Creative Sector Ecology" from Creativity and Neighborhood Development: Strategies for Community Investment by Jeremy Nowak (2007). Image courtesy of The Reinvestment Fund.



#### ARTS EDUCATION

**PHILANTHROPIC FOCUS:** Educating people in the methods and techniques of different art forms, as well as art appreciation and media literacy, and advocacy for fair and equitable access for children of all backgrounds.

#### QUESTIONS THAT LEAD TO INCREASED EQUITY:

- Are artists from diverse cultural backgrounds involved in the programs we fund?
- Do our programs expand students' awareness of multiple cultural traditions and forms of art making?
- Is our funding providing arts education to the children who have least access to it?
- Are we working at the policy level to integrate the arts in basic school curricula for more equitable access to arts education?

#### ART-BASED COMMUNITY DEVELOPMENT

**PHILANTHROPIC FOCUS:** Endeavors and organizations that intertwine artistic and community goals and seek shared social benefits from building group identity and civic engagement to advancing civil rights and social justice.

#### QUESTIONS THAT LEAD TO INCREASED EQUITY:

- Do our definitions of quality consider artistic process as well as artistic product?
- Are we funding both arts and non-arts organizations doing this work?
- Are we encouraging others to invest by sharing evidence of impact and best practices?
- Are we collaborating with funders in other fields to integrate strategies and reach mutual goals?
- Are we investing in intermediaries who can expand impact?

#### ART-BASED ECONOMIC DEVELOPMENT

**PHILANTHROPIC FOCUS:** Projects and organizations that integrate arts and culture with economic development goals, including arts incubators, spaces for artists and art venues, physical renewal of neighborhoods and arts-based entrepreneurship and cultural tourism.

#### QUESTIONS THAT LEAD TO INCREASED EQUITY:

- Are lower-income and other disadvantaged people benefiting directly from our investments?
- Are we supporting community-driven processes that genuinely engage lower-income or non-white populations?
- Are we protecting lower-income residents from being displaced by development projects?
- Are we encouraging others to invest by sharing evidence of impact and best practice?
- Are we collaborating with both public and private agencies, integrating our strategies and furthering each others' goals?

### VII. Conclusion

The Nicaraguan poet and priest Ernesto Cardenal has told us that the love poems of today will be the basis of constitutions tomorrow. But we have not been addressing this transition. How can a love poem, an artistic act, trickle up to reconfigure institutions? Sometimes as artists we have stopped at the poem, at the object, and not ... [addressed] the rigidity of institutional thinking. That is now the challenge for all of us.

> —from interview with Teddy Cruz at "Fresh Angle: A Ford Forum on the Arts," May 2011

Abetted by technology, traditional ideas about authority and leadership are being challenged in all aspects of our society. Philanthropy is not immune to this trend. The proliferation of countless forms of "citizen's philanthropy" – giving circles, commissioning clubs, online services and crowd sourcing vehicles in grantmaking, among other mechanisms – reflects this phenomenon. In an increasingly crowded philanthropic marketplace, foundation leadership no longer derives from the age-old sources of authority – the size of one's endowment and historic reputation. A foundation's leadership today stems from its values, its relevance and its impact, and its effective engagement with the pressing issues of our time.

This is a pivotal moment for the nonprofit cultural sector. Audiences for mainstream institutions are shrinking. The public support infrastructure is threatened. The technological means to both create and access the arts are



"The State of Things" – an ice sculpture of the word "Democracy" on the grounds of the St. Paul, Minn. capitol on the first day of the Republican National Convention, 1 September 2008. It marked the beginning of a march by more than 10,000 demonstrators protesting the war in Iraq, homelessness and poverty. Sculpture and photo by Ligorano/Reese, part of BrushFire, a project of Provisions Library in collaboration with the UnConvention.

proliferating and the declining cost of much commercial arts and entertainment makes these options increasingly attractive. The viability of the traditional nonprofit business model is being questioned. Yet, the number and kinds of artists and nonprofit cultural groups continue to grow, and their artistic diversity continues to increase. We know more than we ever have about the multiple roles that art and culture play in building healthy individuals and healthy communities. And we know with greater certainty that all individuals, and all communities, need the creative tonic that the arts provide.

All these changes create a pivotal moment for funders, too. This is a time to reflect on values, relevance and impact, not only for philosophical reasons but for strategic ones, as well – to enhance our success. Strategy must be shaped by mission and by purpose, but it must also be informed by evolving external conditions and by one's operating context. Our context is changing, fast. For arts funders to be strategic and impactful requires intensifying efforts to understand the demographic, technological and aesthetic shifts that are taking place in our country. It requires embracing a greater diversity of organizational and business models, and knowing how to capitalize and develop healthy organizations of all kinds. It requires seeing the whole cultural ecology and rethinking core premises about who and what is funded, the nature and length of commitments and the measures by which we assess success. It requires re-examining some conventional wisdom and some long-held assumptions. It means asking, in an authentic way, "What is the purpose of philanthropy in the arts today?"

This is a real challenge. But it also is a real opportunity to engage each other and our various partners in a fresh and genuinely contemporary discussion about how we can fuse arts, culture and social change. The outcome of such discourse and debate can be a more inclusive and dynamic cultural sector, and a more equitable, fair and democratic world. " This work is difficult. We need to be clear and candid about the challenges, and the contradictions. There are pitfalls, and errors will be made. It can't be done on the cheap or on the quick. But we need to struggle with these issues, honestly and together. Otherwise, as funders we risk becoming completely irrelevant."

> —-Michelle Coffey, Executive Director Lambent Foundation

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- 53. Center on Philanthropy at Indiana University, *The 2010 Study of High Net Worth Philanthropy: Issues Driving Charitable Activities among Affluent Households* (Indianapolis, Ind.: Center on Philanthropy at Indiana University, Bank of America Philanthropic Management, 2010).
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- 55. Angela Han, "Public Funding for the Arts: 2010 Update," *GIA Reader*, Vol 21, No 3 (Fall 2010), http://www.giarts.org/article/public-funding-arts-2010-update.
- 56. Mark H. Moore and Gaylen Williams Moore, *Creating Public Value Through State Arts Agencies* (Minneapolis, Minn.: Arts Midwest, 2005), http://www.wallacefoundation.org/knowledge-center/audience-development-for-the-arts/state-arts-policy/Documents/Creating-Public-Value-Through-State-Arts-Agencies.pdf.
- 57. Kary Schulman, email message to author, 2 May 2011. Schulman is director of San Francisco Grants for the Arts.
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### Appendix A: Making Change Happen

In their book *Switch: How to Change Things When Change Is Hard,* Chip Heath and Dan Heath offer a practical guide to making change happen. Among other useful ideas, they make the important point that **what looks like resistance is often a lack of clarity about how to move forward.** Boards, presidents and staff members of foundations may want to pursue greater fairness in their philanthropic work but simply do not know how to do so.

The Heaths suggest that people seeking change must do three things: **Find the Feeling**, **Follow the Bright Spots** and **Shape the Path**. This useful framework can be adapted for the purposes of moving toward greater equity in cultural philanthropy. Here, we offer some preliminary thoughts:

#### Find the Feeling: Create a sense of purposeful urgency

- 1. Gather information and discuss the social, educational, economic and political inequalities in the communities of your grantmaking focus.
- 2. Candidly examine the demographic profile and relative need of the people who are benefiting from your current grants.
- 3. Identify one or more areas of focus and communities with which to work.
- 4. Meet people from these communities, make site visits, invite presentations at board meetings.
- 5. Add advisors, panelists, staff and board members who represent or are knowledgeable about these communities.
- 6. Take cultural literacy/cultural competency training.

#### Follow the Bright Spots: Base your strategy on solid information

- 1. Look at the evidence, the written record, the research and standards of practice.
- 2. Seek out positive examples both of on-the-ground work and other funders' programs.
- 3. Increase opportunities for knowledge-sharing and critical discourse among funders, among practitioners and between practitioners and funders.
- 4. Think strategically and act in concert with others to build a more people-centered, community-relevant cultural sector.
- 5. Create a vision and define what "success" looks like for your foundation.
- 6. Develop a theory of change.
- 7. Identify and commit to specific steps toward more equitable distribution of grants.
- 8. Realize this is a long-term process that requires both sustained, multi-year commitment and multiple kinds of philanthropic interventions.

### **Shape the Path:** Shrink the change to a manageable size; try something, examine the results, learn and adapt; disseminate learning

- 1. Craft more flexible guidelines.
- 2. Create and implement diversity policies.
- 3. Acknowledge that mistakes will be made.
- 4. Learn from the mistakes, do not run from them.
- 5. Disseminate results and learning (both the positive and the not-so-positive).
- 6. Celebrate the successes and build on them.

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### A Philanthropy at Its Best<sup>®</sup> Report FUSING ARTS, CULTURE AND SOCIAL CHANGE High Impact Strategies for Philanthropy

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"With this report, NCRP reminds us all that arts and culture can no longer be understood to be the province of society's elites, but rather, that arts are expressions of the very essence of what makes a community whole, what makes it vibrant. Building socially just and sustainable communities requires funders to pay as much attention to the artistic and cultural fabric of our places as we do to economic opportunity and environmental health. It urges us to break away from our traditional notion of arts and culture as happening merely in stately opera houses, concert halls and museums, but instead, as existing and thriving throughout our communities."

-Phillip Henderson, President, Surdna Foundation

"This is great data and even better analysis for all who wonder about the contributions of arts and culture to our democracy. It's a compelling call to cultural funders to review and reconsider their policies and practices in order to keep pace with the growing number of artists and cultural traditions from diverse cultural backgrounds that are animating our civil society today."

-Peter Pennekamp, Executive Director, Humboldt Area Foundation

"In this useful and thought-provoking NCRP report, Holly Sidford prompts funders to use our imaginations, take more risks and advance the arts in ways that contribute to our democracy. She argues that 'equity' and 'quality' need not be at odds in our valuation of the arts, and that broad access should be a core principle of all arts grantmaking. She asks us to question our assumptions about the ways in which our own grantmaking strategies might either inadvertently hinder or strategically advance the arts."

-Claire Peeps, Executive Director, Durfee Foundation

Art and culture are fundamental elements of a society, essential means by which people shape their identity, explain their experiences and imagine the future. In the United States, institutional philanthropy is a key contributor to arts and cultural institutions and to artists; it is an important stimulus to progress in this field. Each year, foundations award about \$2.3 billion to the arts, but the distribution of these funds does not reflect the country's evolving cultural landscape and changing demographics. Current arts grantmaking disregards large segments of cultural practice, and consequently, large segments of our society.

*Fusing Arts, Culture and Social Change* outlines compelling demographic, aesthetic and economic reasons for foundations to rethink their grantmaking practices to stay current with changes in the cultural sector and to continue to be relevant to the evolving needs of our communities. Regardless of its history or primary philanthropic focus, every foundation investing in the arts can make fairness and equity core principles of its grantmaking. It can do so by intentionally prioritizing underserved communities in its philanthropy and by investing substantially in community organizing and civic engagement work in the arts and culture sector. By doing so, arts funders – individually and collectively – can make meaningful contributions toward a more inclusive and dynamic cultural sector, and a fairer, more democratic world.

This is the third in a series of reports from the National Committee for Responsive Philanthropy (NCRP) that invites grantmakers focused on specific issues to reconsider their funding strategies to generate the greatest impact. A report for education grantmakers was published in October 2010 and for health funders in April 2011. A fourth report for environment and climate funders will be published in early 2012.

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