

# The Arts in America 1992

A Report to the President and to the Congress

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NATIONAL  
ENDOWMENT  
FOR  THE  
ARTS

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ARTS

The Arts in America

1992

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**Message from the Acting Chairman**

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## MESSAGE FROM THE ACTING CHAIRMAN

Since its formation in 1965, the National Endowment for the Arts has profoundly influenced the quality, variety, and availability of the arts throughout the United States. As a federal government agency, the Arts Endowment's most fundamental mission is to serve the American people. It does so by providing direct financial assistance for the visual, literary, performing, and media arts of both artists and arts organizations. The Arts Endowment also works to leverage support for the arts from the private sector and other government sources. Throughout, the Arts Endowment supports programs that ensure the availability and accessibility of the arts to all Americans.

When creating both the National Endowment for the Arts and the National Endowment for the Humanities in 1965, the Congress wrote a Declaration of Purpose which enunciated the intended role of a federal support system for the arts:

- (1) that the encouragement and support of national progress and scholarship in the humanities and the arts, while primarily a matter for private and local initiative, is also an appropriate matter of concern for the Federal Government;
- (2) that a civilization must not limit its efforts to science and technology alone but must give full value and support to the other great branches of man's scholarly and cultural activity;
- (3) that democracy demands wisdom and vision in its citizens and that it must therefore foster and support a form of education designed to make men masters of their technology and not its unthinking servant;
- (4) that it is necessary and appropriate for the Federal Government to complement, assist, and add to programs for the advancement of the humanities and the arts by local, State, regional, and private agencies and their organizations;
- (5) that the practice of art and the study of the humanities requires constant dedication and devotion and that, while no government can call a great artist or scholar into existence, it is necessary and appropriate for the Federal Government to help create and sustain not only a climate encouraging freedom of thought, imagination, and inquiry but also the material conditions facilitating the release of this creative talent;
- (6) that the world leadership which has come to the United States cannot rest solely upon superior power, wealth, and technology, but must be solidly founded upon worldwide respect and admiration for the nation's highest qualities as a leader in the realm of ideas and of the spirit; and
- (7) that, in order to implement these findings, it is desirable to establish the National Endowment for the Arts and the National Endowment for the Humanities, and to strengthen the responsibilities of the Office of Education with respect to education in the arts and the humanities.

Those purposes are as valid and important today as they were then. Implicitly this Declaration of Purpose defined a role for the National Endowment for the Arts that extends beyond simply being a source of financial support. The National Endowment for the Arts also has a leadership role in advancing cultural partnerships throughout the country; in expanding public access, appreciation, and participation in the arts; and in helping foster a national climate which would encourage creativity, imagination, and inquiry.

The National Endowment for the Arts is now 27 years old. It has fulfilled these tasks well. Due in part to this federal government agency's efforts to develop cultural resources and to support community-based arts activities, artists and arts organizations in neighborhoods and communities in every state and territory are served by the National Endowment for the Arts. During its relatively brief history, the agency has supported the preservation of cultural traditions. It has stimulated the development of uniquely American art forms and promoted the creation of new art works. It has spearheaded the expansion of arts education, especially in making arts basic to curriculum. The Arts Endowment has also played an important role in expanding opportunities for Americans to participate in the arts.

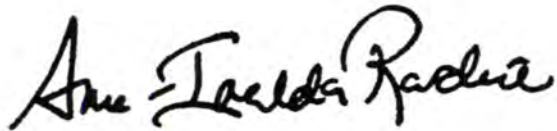
In 1990, at the time of the last Congressional reauthorization of both the National Endowment for the Arts and the National Endowment for the Humanities, Congress expanded its original Declaration of Purpose and placed new emphasis on several additional tasks. Congress charged the Arts Endowment with further expanding the distribution of the arts, with reaching young citizens through expanded programs in arts and humanities education, and with fostering and preserving the cultural diversity of the nation. Thus, the legislation's Declaration of Purpose reflects these additional elements of the essential role the arts can and do play in our society:

- o The arts and the humanities belong to all the people of the United States.
- o The arts and the humanities reflect the high place accorded by the American people to the nation's rich cultural heritage and to the fostering of mutual respect for the diverse beliefs and values of all persons and groups.
- o It is vital to a democracy to honor and preserve its multicultural artistic heritage as well as support new ideas and, therefore, it is essential to provide financial assistance to its artists and organizations that support their work.
- o To fulfill its educational mission, achieve an orderly continuation of free society, and provide models of excellence to the American people, the Federal Government must transmit the achievement and values of civilization from the past via the present to the future, and make widely available the greatest achievement of art.

I believe the Arts Endowment has ably addressed these tasks in the years since 1990 and is well situated to continue to lead in their fulfillment.

Congress asked the Arts Endowment to do one additional task as a federal arts agency serving the American public. It requested that the National Endowment for the Arts "develop and implement a practical system of national information and data collection and public dissemination on the arts, artists and arts groups, and their audiences". Congress requested that this report on the state of the arts "include artistic and financial trends in the various artistic fields, trends in audience participation, and trends in arts education on national, regional, and State levels, and include information regarding the availability of the arts to various audience segments, including rural communities."

In compliance, the Arts Endowment is happy to provide and disseminate this report on the state of the arts in America. Underlying this report is an assumption that the arts are organic and ever-changing; that creativity and culture respond to the present, build on the past, and look toward the future. Although distinctions among arts disciplines or between the sectors of the creative arts industry may blur and distort a full appreciation of the worth of the arts to society, the value of the public investment in the arts to the nation at large and to each of its citizens is considerable. This report, The Arts in America 1992, attempts to articulate the many ways in which three decades of public investment in the arts has preserved and advanced our national artistic resources.

A handwritten signature in black ink, reading "Anne-Imelda Radice". The signature is fluid and cursive, with the first name "Anne" and last name "Radice" being more prominent than the middle name "Imelda".

Anne-Imelda Radice  
Acting Chairman  
National Endowment for the Arts  
1992

# National Council on the Arts

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Washington, DC

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Painter/Teacher  
New Haven, Connecticut

**David Baker**

Composer/Teacher  
Bloomington, Indiana

**Sally Brayley Bliss**

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Director/Teacher  
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**Nina Brock**

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**Philip Brunelle**

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**Robert Garfias**

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Pittsburgh, Pennsylvania

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Theater Director/Producer  
New York, New York

**Catherine Yi-yu Cho Woo**

Arts Patron/Trustee  
San Diego, California

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### **Preface**

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## PREFACE

The Arts in America 1992 is a report on the cultural, economic, and educational conditions and contributions of the arts in America. This biennial report, prepared in response to the 1985 Congressional request, is the third in a series which began in 1988. The initial report, The Arts in America 1988, assessed the vitality of American culture based on the level and quality of artistic resources available in the commercial, non-profit, and public sectors. In contrast, the 1990 report focused on recent developments in the arts and Arts Endowment activities, highlighting its programmatic efforts to foster and celebrate our cultural diversity, advance creativity through arts education, and better address the cultural needs and interests of Americans.

This report combines and expands upon the approaches of the previous two. It examines both past and present investments in the arts and provides an overview of the impact of various aspects of the arts on our economy and culture. It both explores the Arts Endowment's role in fostering the development of our national artistic resources and discusses aspects of the other support systems for the arts.

From an historical perspective, The Arts in America 1992 is one in a line of reports, some governmental and others privately sponsored. Some of these have had a notable impact on the way we think about the role of arts and culture in our society or about the conditions that contribute to an environment in which the arts can flourish. Among this line of reports were: The Arts and the National Government, prepared by August Heckscher in 1963; The Performing Arts: Problems and Prospects, sponsored by the Rockefeller Brothers Fund; and A Report to the President, prepared by the Presidential Task Force on the Arts and Humanities in 1981. A more recent report, entitled A Report to Congress on the National Endowment for the Arts, was in response to a 1990 Congressional request that called for an independent commission to review the Arts Endowment grantmaking process and standards for funding.

The Arts in America 1992 takes a broad, interdisciplinary, and issue-oriented perspective. First, it introduces the arts as an investment. It is followed by sections on investing in the arts through artists and arts organizations, in education, in communities, and as part of a larger creative arts industry. It concludes with a state-by-state profile of how the dividends of the federal-state investment partnership can be seen throughout the nation.

***SOURCES AND FURTHER INFORMATION.*** Information used in this report was drawn from a wide variety of sources. These include Arts Endowment documents and reports, research sponsored by the Arts Endowment, reports by arts and non-arts organizations, papers presented at conferences, and statistical compendia. Further information on issues and trends addressed in this report can be found in the individual studies cited.

The Arts in America 1988, in particular its review of the recent history of individual arts fields and its perspective on the arts from the vantage point of the more prosperous 1980s, provided historical background. This was complemented by the review of recent Arts Endowment programmatic activities to maintain and advance American artistry, promote arts education, encourage rural participation, and celebrate our cultural diversity in The Arts in America 1990.

Background data and analysis for this report were drawn from papers produced by the Research Division of the Arts Endowment. The Research Division sponsored extensive nationwide surveys of arts participation in 1982 and 1985; the results of a 1992 survey will soon be available. Reports of these surveys, conducted by the Bureau of the Census on behalf of the Arts Endowment, were analyzed, published, and distributed to arts administrators and researchers. Other Arts Endowment studies that present further information and analyses of public participation in the arts include: Socialization and Participation in the Arts, by Richard Orend; The Audience for American Art Museums, by J. Mark Davidson Schuster; Expanding the Audience for the Performing Arts, by Alan Andreasen; Who Reads Literature?: The Future of the U.S. As A Nation of Readers, by Nicholas Zill and Marianne Winglee; and the forthcoming publication Race, Ethnicity, and Participation in the Arts, by Paul DiMaggio and Francie Ostrower. Another Arts Endowment resource that proved useful in this report was Intersections: Community Arts and Education Collaborations which illustrates the contribution of the arts to improving access and excellence through the development of organizational partnerships for arts education.

Data on specific arts organizations and artists were taken from the Arts Endowment's 1991 Annual Report. Material on ethnically-specific arts organizations was taken from the Survey of Culturally Diverse Arts Organizations prepared by NuStats, Inc. In addition, an analysis of the specific impact of the arts on minority populations was provided by Cultural Centers of Color, a report prepared by Elinor Bowles for the Arts Endowment's Office of Planning, Research, and Budget Coordination (OPRBC), which analyzes data on minority participation in the arts by discipline, ethnic group, and region.

Information for this report was also culled from the Arts Endowment's internal documents and enabling legislation, including program reviews and reports on individual artists and cultural diversity presented to the National Council for the Arts during 1992 as well as reports from the Office of Special Constituencies. All references to the Arts Endowment's legislation were taken from the legislation as revised during the agency's 1990 reauthorization.

Other rich sources of data and analyses were found in reports sponsored or commissioned by the Arts Endowment to respond to specific issues in one or another arts discipline. Several of these publications and studies examined mainly domestic activities of American artistic and educational communities. These included Toward Civilization, a 1988 Arts Endowment publication detailing the state of arts education in America at that time. A more recent report entitled "Understanding How the Arts Contribute to Excellent Education," completed by the Organization and Management Group, Inc., provided useful information on the relationship

between instruction and experience in the arts and students' educational achievement. International comparisons between arts education programs of various nations were drawn from Toward Civilization as well as from "The Arts and School Reform: An International Comparison," prepared by the Center for Basic Education, and soon to be released as an Arts Endowment publication.

Four studies sponsored by the Research Division of the Arts Endowment provide an initial exploration of the economic dimensions of the creative arts industry. They include: "The American Arts Industry: Size and Significance," by Harry Chartrand; "The Arts as an Industry," by the National Conference of State Legislatures; "Twenty Years of Economic Impact Studies of the Arts," by Anthony Radich; and "Culture and Communities: The Arts in the Life of American Cities," by Partners For Livable Places. More details from these reports will be forthcoming in a series of future Arts Endowment research monographs.

Studies and reports completed by the two arts education research centers, New York University and the University of Illinois, supported in part by the Arts Endowment, analyzed the role of the arts in education. Several studies by the National Arts Education Research Center at New York University reported on the contributions that the arts make to academic skill development in school children and "The Status of Arts Education in American Public Schools" surveyed and compared arts instructional activity in public schools between 1962 and 1989. In addition, a 1991 study by the American Association of Museums, Excellence and Equity: Education and the Public Dimensions of Museums, served as background on the educational role of museums in lifelong learning experiences.

Other Arts Endowment-sponsored reports that were utilized include: The Arts on Television 1976-1990, which provided information on arts television programs supported by the Arts Endowment; Public Folk Cultural Programs: A Survey and Product Listing, by Henry Willett; Images of American Dance: Documenting and Preserving a Cultural Heritage, co-sponsored by the Arts Endowment and the Andrew W. Mellon Foundation, which reported on the need for dance documentation and preservation; and The Report to the National Endowment for the Arts on the Regional Rural Arts Forums for the High Plains, Southwest, and Central Plains, by the National Assembly of Local Arts Agencies, which provided information on the rural arts forums supported through the Under-served Communities Set-Aside Initiative.

A number of arts-related studies conducted independently from the Arts Endowment were utilized in the report. Many details on the environment in which the arts exist in America were drawn from these sources. For example, a national public opinion poll on Americans and the Arts VI conducted by LH Research in 1992 (and in 1988 by Louis Harris and Associates, Inc.) for the American Council for the Arts provides a measure of public support for the arts. Data on the effect of changing demographics on the arts were based on the results of the 1990 Census conducted by the U.S. Department of Commerce, Bureau of the Census, as reported in the Statistical Abstract of the United States, 1991.

Additionally, the National Assembly of State Arts Agencies offered comprehensive information about the funding and programs of state arts agencies. In particular, The State of the State Arts Agencies 1992 furnished statistics on the history of state arts appropriations.

Material on the growth of the local arts agency field and the range of programs and services those agencies offer was drawn from research conducted by the National Assembly of Local Arts Agencies.

Other independent studies that were used in the development of this report included: Arts, Culture, and Enterprise, by Justin Lewis; The Study of Industries, by Paul M. Hirsh; and Copyright Industries in the U.S. Economy, by Stephen Siwek and Harold Furchtgott-Roth. These sources provided theoretical discussions and quantitative analyses which explored the concept of an industry and of the arts as an industry.

Research conducted by groups such as the Music Educators National Conference and the National Coalition for Education in the Arts as well as more informal efforts by the Dance Education Task Force and the Coalition for Creative Learning with Opera provided an array of illustrations on how the various arts disciplines contribute to comprehensive arts education programs. Information on dance touring in the United States can be found in "Domestic Dance Touring: A Study With Recommendations for Private Sector Support," conducted by Dance/USA in March 1992, commissioned by the Lila Wallace-Reader's Digest Fund.

This report also relied upon the findings of several recent conferences on the arts. Arts and education was the topic of two 1992 conferences which helped inform the discussion on research, development, and dissemination. The first conference, sponsored by the Arts Endowment and the Office of Educational Research and Improvement of the Department of Education, "Arts in America's Schools: Setting a Research Agenda for the Nineties," discussed the development of a research agenda for arts education. Additional information was presented during a conference co-sponsored by the Arts Endowment, the National Congress of Parents and Teachers, the John F. Kennedy Center for the Performing Arts, the Getty Center for Education in the Arts, and Binney and Smith, Inc., entitled "Arts and Education: A Partnership Agenda."

The momentum from these two conferences has grown into a nationwide effort to coordinate developmental activities in arts education and led to the development of two texts on the arts and education, the Department of Education brochure, "AMERICA 2000 Arts Partnership," which sets forth seven national arts education activities and priority projects, and the Department of Labor report, "Learning a Living: A Blueprint for High Performance," which recognized the contribution the arts can make toward developing performance abilities crucial to American workforce needs in the 21st century.

The September 1991 meeting of the ad hoc Under-served Communities Set-Aside Advisory Group, which OPRBC coordinated, reviewed the first year of experience with the Under-served Communities Set-Aside Initiative, mandated by the Arts Endowment's 1990

reauthorization. This meeting informed the discussion of community cultural investments. Further background on this topic was provided by participants at the *Arts Public Partnerships Roundtable* held on April 21, 1992, which contributed to our understanding of the challenges, opportunities, and conditions which affect public arts agencies.

The report from the December 1991 "Arts Organizations for the Nineties" roundtable meeting of national arts service organizations, convened by OPRBC, also provided background for the report on the challenges facing arts organizations in 1992. The multidisciplinary overview panels of the Challenge and Advancement programs, held in 1991 and 1992 respectively, were also informative about the condition and concerns of arts organizations.

The principal statistical source for the report was the 1992 Addendum to the 1989 Sourcebook of Arts Statistics. This is a reference volume specifically commissioned prior to the preparation of The Arts in America 1992 report to provide the most up-to-date and comprehensive statistics on the non-profit and commercial arts sectors in the United States. The nine chapters in the report cover: Arts in the Economy; Artist and Arts Administrator Employment; Arts Education; Performing Arts; Visual Arts; Literature; Museums; Motion Picture, Radio and Television; and Arts Audiences. The Sourcebook includes, for example, estimates on the number and financial condition of non-profit arts organizations by arts service organizations (e.g., American Symphony Orchestra League, Theatre Communications Group, OPERA America) as well as data on non-profit and commercial arts organizations derived from the Census Bureau's quinquennial U.S. Economic Census of Service Industries.

Charts included in the Five-Year Planning Document (1991-1995), completed in 1989, provided statistical background on the financial condition of arts organizations in the 1980s. National arts service organizations were the original sources of the data presented in those charts as well as for much of the information on the issues facing arts organizations. This data also served to inform various Arts Endowment program reviews and roundtables.

Statistics on the condition and needs of ethnically-specific arts organizations were provided by the nationwide Survey of Culturally Diverse Arts Organizations, conducted for the Arts Endowment's Research Division by NuStats, Inc. of Austin, Texas and completed in November 1991. In addition, data on presenting organizations was taken from a survey of FY93 applicants to the Presenting and Commissioning Program, OPRBC's reports on the minority impact of grants from FY86 to FY91 provided statistics on the application success rate of ethnically-specific arts organizations and artists of color, and the Office of Panel Operations offered figures for FY89 to FY92 on panelists who are persons of color.

Throughout the two years since The Arts in America 1990 report, the advice, counsel, analysis, and information forthcoming from Program Directors and staff have been invaluable sources of expertise and insights. The programs have provided useful information through annual program reviews prepared for the National Council on the Arts, analyses of needs and

opportunities in their individual fields as part of the annual budget proposals to the Office of Management and Budget and to Congress, and specific program planning efforts of cross-program development of collaborations.

**ACKNOWLEDGMENTS.** The Arts in America 1992 is a cooperative product, reflecting the thoughts and efforts of many talented, committed, and informed individuals. I am particularly grateful to the Arts Endowment's staff and its Program Directors and to numerous colleagues in arts service organizations, private foundations, academia, the arts community at large, and the many constituencies of the Arts Endowment.

The Office of Planning, Research, and Budget Coordination coordinated and produced this report. I would like to thank the OPRBC staff for their insights, expertise, and diligence which contributed significantly to the final product. Paula Kascel, who worked with OPRBC under contract, played an important role in drafting early sections of the report. Similarly, Bruce Seaman, professor of economics at Georgia State University, also working under contract, played a key role in developing the section on the creative arts industry. Research, writing, and editing was primarily carried out by OPRBC staff, including Tom Bradshaw, Director of Research; Eva Jacob, Policy and Planning Officer; and Senior Policy Analysts Martha Dodson, Mindy Berry, and Patrick Melia. For additional editorial assistance, Judy Flander, a professional writer and editor, and Bobbi Dunn, the Director of the Arts Endowment's Congressional Liaison Office, deserve thanks. Special thanks should go to Amy Olson for her persistence in making countless revisions during production.

For Part II of this report, I would like to acknowledge the substantial contributions and generous cooperation of the staff of the National Assembly of State Arts Agencies (NASAA); the State Arts Agencies (SAAs); and the Arts Endowment, particularly the State & Regional Program, the Office of Information Management, and the Office of Public Affairs, in preparing the State, Special Jurisdictions, and National Arts Profiles.

Mindy Berry and Martha Dodson of the Endowment's Office of Planning, Research, and Budget Coordination did yeoman's service in providing the overall management of this component. Additionally, the research, writing, and editing contributions of Keith Donohue, Andi Mathis, Amy Olson, Carey Macdonald, and Greg Davenport were invaluable. NASAA staff, especially Jeffrey Love, Sarah Dipko, and Kimber Craine were key to the collection of accurate and complete information. The profiles would not be complete without the creative design of Deborah Parker, an Information Management Computer Systems Analyst at the Arts Endowment. Special thanks should also go to Sam Campana, OPRBC's Arts Administration Fellow during the Summer of 1992, who tackled this project with great energy and diligence.

I am also grateful for the Congressional interest in the collection and dissemination of the important quantitative and qualitative information on the arts in America which appears in this report. Dissemination of the collected information about the arts in America, and the role the Arts Endowment has played, can only improve understanding of the important and beneficial

role the arts can and do play in our society. The leadership and support, especially of the Senate Labor and Human Resources and the House Education and Labor Committees as well as the Interior Appropriations Subcommittees, have enabled the Arts Endowment to undertake crucial research on American arts and culture through the years.

Finally, this report would not have proceeded without the support of Acting Chairman Anne-Imelda M. Radice and the National Council for the Arts.

It is my pleasure to present The Arts in America 1992 to Congress as a report on the value and effect of our national investment in the arts and as an indication of the challenges and opportunities that we face in the future.

Margaret J. Wyszomirski, Ph.D.  
Director  
Office of Planning, Research, & Budget Coordination  
1992

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**PART I:**

**CHARACTERIZING THE  
PUBLIC INVESTMENT  
IN THE ARTS**

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I.

## RECOGNIZING THE INVESTMENT

The National Endowment for the Arts is a relatively small, but nonetheless significant component of a national support system for the arts. From its beginning in 1965, how the Arts Endowment has invested in the arts has been as important as the actual dollars spent.

Between 1965 and 1992, over \$2.6 billion in federal funds have been directed toward advancing and preserving our national cultural resources. This investment has, in turn, helped to leverage additional support from individuals, corporations, foundations, and state and local governments for the arts in America. Although the Arts Endowment accounts for a relatively small proportion of total support for the arts, its importance in fostering both the supply of and demand for the arts in America has been critical. In 1992, the Arts Endowment will invest some \$153 million in over 4,000 cultural organizations and creative artists throughout the United States. This amounts to a mere 68 cents per taxpayer annually for a return worth much more to individuals and communities artistically, educationally, socially, and economically.

When viewed in the aggregate, these dollars may appear plentiful. Yet the success of past efforts to increase the capacity to create and disseminate art as well as to expand opportunities to participate in the arts now places even greater demands on the resources of the agency. Each year, the Arts Endowment receives more than four times as many applications as it can support. Each year, the dollars requested for worthwhile projects from artists, arts organizations, and communities far exceeds the federal dollars available.

Over the last 27 years, the National Endowment for the Arts has helped develop a truly national infrastructure for the arts. These efforts have not simply been a process of spending taxpayers' money. Rather, the Arts Endowment has acted as an entrepreneurial steward of public funds, strategically investing in artistic resources for the public interest. The goals of this investment have been: to preserve and pass on the nation's rich and diverse cultural heritage; to help create new and permanent artistic assets; to help build the presentation and production infrastructure needed to present artists and their work to audiences of all ages and from all segments of our society; and to foster the cultural vitality of our nation and sustain its artistic leadership internationally.

In the words of American composer Aaron Copland, "The arts are our message of what it feels like to be alive in our time." Musical compositions, films, plays, novels, dance repertory, paintings, sculpture, public art and architecture, and folk art constitute tangible assets. The Arts Endowment and its public and private partners invest in the creation, dissemination, and presentation of these assets. Thus, each federal dollar invested potentially pays dividends not only to the specific grantee but to their audiences, their community, the arts field in general, and to future generations of the whole nation.

There is no single best way to foster creative talent or artistic vision, therefore the Arts Endowment uses many methods to support the excellence, vitality, diversity, and accessibility of the arts in America. There is no easy or sure recipe for guaranteeing the success of every grant the agency awards. Grant advisory panels, which are a fundamental part of the evaluation process of the Arts Endowment, have made an invaluable contribution to the nation by helping public officials identify those projects that exhibit the best potential and the highest merit. In these, a relatively small investment of federal funds can help to foster creativity, to support artistry, to recognize diversity, or to enhance public participation.

Sometimes the investment comes in the form of a direct grant, or fellowship, for individual artists which allows them to sustain their creative efforts over a period of time. In other instances, funds are awarded to commission the creation of a new play, painting, or dance. At other times, the investment supports a whole season of work by a regional repertory theater which will employ dozens of artists, including actors, directors, designers, conductors, musicians, choreographers, and dancers.

Federal funds invested in partnerships have helped integrate the arts into community life on a local level and to expand public participation. The National Endowment for the Arts has made strategic investments in the development of state and local arts agencies which are comparable to the Endowment in structure and intent, but which work to strengthen and support the artistic and cultural life of communities from within. These partnerships have proven to be essential to national goals of providing equitable distribution of cultural resources and a spacious environment for artistic expression.

The National Endowment for the Arts has also played a significant role in expanding the opportunities for all Americans to experience the arts and to participate in a creative climate, whether they live in rural, inner city, or suburban areas across the nation. Equally important to serving the public geographically is extending opportunities for individuals--young, old, and those with disabilities--to participate, appreciate, and enjoy the arts.

The intersection of art and audience is facilitated by a complex distribution network of arts producing and arts presenting organizations throughout the country. These cultural organizations range from mainstream institutions with multi-million dollar annual operating budgets to small community-based organizations that emerge each year based on the voice and vision of one individual artist.

The criteria used by the National Endowment for the Arts to evaluate all types of organizations applying for support have been designed to maximize the impact of funds invested for the benefit of the public. In general, organizations must demonstrate a level of financial and managerial where-with-all appropriate to the scope of their work, a clear artistic vision and the capacity to realize that vision, and a planned commitment to bring their work to new as well as established audiences. Over time, these standards have helped to build a effective national arts delivery system.

Over the last three decades, federal investments in the arts have dramatically increased the quality, variety, and availability of the arts for the benefit of the American people. As a result, public awareness of the arts--how they contribute to the fulfillment of an individual life or the quality of community life--is changing. In recent years, there has been a greater public recognition that the arts play an important role in the cultural, educational, and economic life of their cities and towns.

In conclusion, the National Endowment for the Arts is charged with one of the most complex and challenging tasks that any agency of government can perform in a democracy. In the coming decade, the National Endowment for the Arts, in partnership with Congress and the American people, will continue its efforts to foster a national climate which encourages freedom of thought, imagination, and inquiry. Part of this effort involves a clear and comprehensive articulation of the many benefits the nation and its citizens derive from the investment in public funds for the arts. At the same time, the Arts Endowment must administer federal support for the arts in order to employ and expand the existing arts infrastructure and to reach new artists and new audiences who will influence the development of our national heritage in ways we have yet to imagine.

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**Investing in American Artistry**

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*II.*

## **INVESTING IN AMERICAN ARTISTRY**

Maintaining and advancing American artistry is an essential component of the Arts Endowment's mission and a major focus of discipline program activities. The agency pursues this goal directly through support of the institutional infrastructure of the nation's arts organizations, through assistance for individual creative artists, and by encouraging activities to preserve our diverse cultural heritage. The Arts Endowment also furthers American artistry indirectly via support for state and local arts agencies which, in turn, support artists and arts organizations. Public-private partnerships demonstrate the value of the arts to society, diversify participation, and stimulate financial support for the arts.

## ARTS ORGANIZATIONS: A NATIONAL CULTURAL INFRASTRUCTURE

The Arts Endowment has always recognized the importance of supporting the nation's cultural institutions, the acknowledged repositories of American culture and creativity. Particularly in times of tight budgets, these organizations deserve assistance, for they are the infrastructure that keeps the arts on stage and in view. Large and small, old and new, they maintain and augment America's cultural traditions while they play absolutely crucial roles in preserving the past and exploring the future. To assume that these organizations can exist without continued federal support is to mortgage their future and jeopardize the cultural legacies we have inherited and are duty bound to pass on to posterity. The Arts Endowment safeguards these priceless cultural resources not only through preservation and conservation but by providing a forum to salute and display them.

Congress authorized the Arts Endowment to provide grants to outstanding non-profit arts organizations in order to support their projects and productions and enable "cultural organizations and institutions to increase the levels of continuing support and to increase the range of contributors to the programs of such organizations or institutions." This support constitutes nearly a third of the grant funds awarded by the agency annually.

Since the establishment of the Arts Endowment, the organizational infrastructure of the arts has become a truly national system. For example, the number of professional non-profit theaters has grown from 56 to a network of over 400 today. Operating in every part of the United States, these theater companies employ more artists and offer more weeks of employment than all forms of commercial theater. This network of non-profit theaters serves an audience that has grown from five million in 1965 to over 20 million in 1992.

Music fills the air of communities across the nation. Today there are 230 professional orchestras with budgets over \$280,000--more than doubled since 1965. Attendance figures have risen from 17.5 million in 1971 to 26.7 million in 1991. In addition, chamber music ensembles, jazz ensembles, and other musical organizations have proliferated during the last three decades.

Dance now brings its grace and spirit to citizens everywhere. Professional dance companies have increased from 37 in 1965 to over 250 today, while the annual audience for dance has grown from one million to over 16 million. American dance not only thrives at home but is honored and cherished around the world.

The opera field is burgeoning with new American works as nearly all major companies are producing or commissioning operas from American composers. Audience for the work of professional opera companies has grown to 7.6 million in 1991, compared to 5.5 million a decade earlier, served by over a hundred professional opera companies, compared to only 27

in 1965. [*For more information on the growth of arts organizations and audiences, see Part II: Illustrating the Investment in the Arts at Home.*]

In addition, the Arts Endowment has helped stimulate the development of many other kinds of arts organizations: regional media centers and visual arts organizations; folk arts organizations as well as literary centers and small presses; ethnically-specific organizations and local arts agencies; presenting organizations and arts service organizations.

Virtually every program of the Arts Endowment offers grants that support organizations to undertake projects involving the creation, presentation, preservation, or dissemination of the arts. At least twenty grant categories provide direct assistance to dance, theater, opera companies, and music groups for seasonal support and touring; to museums and folk arts organizations to help preserve and share our cultural legacy; to design organizations, media arts centers, visual arts organizations, and artists communities to serve as forums for new ideas and creative opportunities; to multidisciplinary presenting organizations; to culturally diverse organizations; and to local arts agencies that help forge and foster community connections.

Through Advancement grants and support for organizational development in other programs, the Arts Endowment helps new, emerging, and evolving arts organizations adjust to changing conditions and to better realize their potential. Through Challenge grants, arts organizations of any discipline that meet the rigorous competition and evaluation process and can match federal funds on a three-to-one return can be awarded a three year grant to stabilize their operations through endowments, cash reserves, capital funds, elimination of debt, or fund balance deficits. The Arts Endowment's ability to assist the stabilization of our core artistic organizations is imperative to the maintenance and vitality of the nation's artistic infrastructure.

By investing in arts organizations, the Arts Endowment also reaps dividends by enhancing public access and participation in the arts as well as in fostering opportunities for artistic creation. In some instances, such institutional investments continue a multi-generational stewardship of our national cultural legacy. In other cases, such support is an entrepreneurial act of faith in artistic innovation and future potential. And in yet other instances, Arts Endowment organizational support has been catalytic in developing new kinds of organizations to address changing artistic needs and opportunities.

The federal arts support system in the United States places a unique emphasis on the diversification of funding sources and the primacy of private initiative. This policy has been reinforced by a federal tax system which also encourages meaningful philanthropy by individuals, foundations, and corporations in areas where society's needs and opportunities will always exceed governmental resources. The primary responsibility for cultural support will always be in the hands of private individuals, businesses, and foundations. However, the public sector retains a unique and significant role in highlighting the value of the arts and in helping the arts community attract private benefactors.

Organizational grants awarded by the National Endowment for the Arts must be matched, at a minimum, by one non-federal dollar for each federal dollar invested. Some initiatives, utilizing Treasury or Challenge funds, require a three-to-one match of private support and federal dollars. Other initiatives require matching funds which are leveraged from new sources or which represent an expanded community commitment. The level and sources of matching funds, including earned income from ticket sales and memberships, are one measure of an organization's overall administrative and financial stability as well as the support and interest of the immediate community. [For a state by state breakdown of matching funds raised, see Part II: Illustrating the Investment in the Arts at Home.]

Innovative partnerships between the National Endowment for the Arts and numerous foundations, corporations, and private non-profit organizations epitomize the entrepreneurial style of cultural support in America. From the mid-1960s through the 1980s, the arts' share of private philanthropy grew at a healthy pace. Between 1970 and 1989, total giving to the arts and culture more than doubled, increasing from 3.15% of philanthropic giving in 1970 to 6.53% in 1989.

Examples of such joint investments abound. For example, in the mid-1970s, the National Endowment for the Arts, Exxon Corporation, and a national arts organization called Affiliate Artists Inc. launched a project to employ and train young American conductors. This unique partnership gave these gifted conductors the opportunity to work in American symphony orchestras at a critical time in their careers and at a critical time in the development of small and mid-sized American orchestras. A comparable partnership to support the careers of solo pianists was developed later with Xerox Corporation and the National Endowment for the Arts, again in partnership with Affiliate Artists Inc.

Similarly, Chamber Music America, begun fourteen years ago with assistance from the National Endowment for the Arts, has played a significant role in the advancement of chamber music in the United States. Chamber Music America has also obtained major foundation support--most recently from the Lila Wallace-Reader's Digest Fund--for its program and residencies to develop chamber music activity and to bring that music to wider audiences.

In 1967, following more than a year of joint planning and discussions, the National Council on the Arts formally recommended that an American Film Institute be created to preserve and develop the nation's artistic and cultural resources in film. The Arts Endowment's initial investment of \$1.3 million was matched by private donations of \$1.3 million each from the Ford Foundation and the member companies of the Motion Picture Association of America. Several programs followed, including: the National Center for Film and Video Preservation, created at the Arts Endowment's initiative in 1984; the documentation of this preservation research, American Film Institute Catalog of American Feature Films; and the AFI/Arts Endowment Film Preservation Program, which has facilitated the copying of flammable nitrate film to safety acetate. Since the mid-1980s, a handful of film archives has grown to more than one hundred at the national, state, and local levels.

The Arts Endowment also works in partnership with the Public Broadcasting Service (PBS) by supporting arts programming on public television. In 1976, the Arts Endowment funded three series, *Visions*, *Live from Lincoln Center*, and *Dance in America*. Through such ventures, the Arts Endowment helps bring the productions of premier arts organizations to audiences throughout the nation.

Literary organizations, with support from the Arts Endowment, have developed and matured both artistically and managerially over the last two decades, and are now serving as liaisons between their field and the private philanthropy community. Capitalizing on this organizational infrastructure, the Council of Literary Magazines and Presses is now working with the Andrew W. Mellon Foundation and the Lila Wallace-Reader's Digest Fund to design new financial and technical assistance programs for small presses and literary journals. In the last few years, both foundations instituted new literary programs involving direct grants to small presses as well as support for individual writers. As a consequence of these investment partnerships, the system of literary creation and distribution is providing greater exposure for writers and poets and more opportunities for audience access.

Arts-producing organizations not only directly employ performing artists but also commission new work, thus providing a unique venue for artistic collaborations. When supported by an organization, dancers and choreographers often create new works cooperatively--mutually inspiring and challenging the talents of each other to produce a work which transcends the vision of any one individual. Many new theater works are also the products of collective effort. A new play or production may be guided by the vision of the writer or director, but the final product often reflects the talent and creativity of all of the participating actors and designers and, in the case of new work in musical theater, the producers who bring together a full creative team, including musicians, dancers, skilled technicians, and capable managers.

Today, many arts presenting organizations not only feature artists of excellence and expand community appreciation for and participation in the arts, but also contribute to the cultural and economic development of their communities. A national audience for the performing arts is also reached through support for presenting organizations which bring live entertainment to communities through a rich variety of formal and informal venues, including festivals and fine art series, community art centers, universities, ethnic cultural centers, civic centers, museums, churches, and libraries.

In the visual arts field, the context for the production and presentation of art is equally important. American art museums collect and preserve art, document and present that work to the public, and serve as a community educational resource in the arts. Accomplishing these tasks requires not only the creativity and scholarship of museum curators but also the leadership, commitment, and resources of the whole institution. Face-to-face contact with original works of art in museum galleries is the way that 25% of Americans who have an interest in the arts usually experience art. The Arts Endowment has consistently committed substantial Museum Program resources to support temporary exhibits that bring together works of art in an effort to trace the development of an artists career, to explore ideas in art

and culture, or to illuminate the artistic expression of geographical regions and historical periods. The accompanying catalogues serve as guides to the exhibit and as permanent scholarly records.

Often considered an alternative to museums, contemporary visual arts organizations are laboratories where new work is developed, tested, and presented to audiences for the first time. Many artists receive their first exhibition or performance opportunity in these spaces. In smaller communities, artist-run organizations may be the only venue for the presentation and interpretation of contemporary art. Media arts centers and small presses, like visual artists spaces, provide essential support for artists as well as public access to new work and new ideas.

Encouraged by the Arts Endowment's Expansion Arts and Folk Arts Programs and growing interest in work expressing our diverse cultural heritage, ethnically-specific arts organizations in the United States have grown in number to more than 1700, according to a 1990 NuStats survey sponsored by the Arts Endowment. Through their work, these organizations affirm the multicultural nature of American society. The universe of arts organizations that are based in communities of color or in rural and ethnic communities has developed rapidly during the last three decades. Their achievements are manifold. They mine traditions that have considerably enlarged the American arts vernacular. Because they are concerned with the quality of life in their communities, they not only present and produce art but they also teach the arts, thereby enlarging both the talent and audience pools for all our arts institutions. Often among the most prominent institutions in their communities, these cultural institutions can also serve as pillars of both stability and development.

As a whole, the Arts Endowment awarded \$24 million in FY91 to support arts activities by and for African-American, Asian-American, Latino-American, and Native American communities. This reflects an increase of \$7.6 million since FY86 or a rise from 11% of FY86 Endowment funds for direct grant-making to 15% in FY91. Ethnically-specific arts organization applicants are highly competitive for Arts Endowment awards. Indeed, the success rate of such organizations has been constantly higher than that of the total applicant pool in the seven organizational categories tracked by the agency since FY87.

Encouraged by the Endowment, state arts agencies have become increasingly supportive of ethnically-specific and rural arts organizations. In its 1991 State Arts Agency Profile, the National Assembly of State Arts Agencies reported that 15% of state arts grants and 20% of state grant funds went to Latino-American, African-American, Asian-American, and Native American artists and arts organizations in 1989. Twenty-five states have created programs that were designed for ethnically-specific arts organizations. Rural areas in 1989 were awarded 16% of all state arts dollars and 31% of state arts agency grants.

For more than three decades, our institutional investment as a society has created and nurtured an extraordinary variety of arts organizations in every field and region. Vehicles of creativity, they are also a source of civic pride in our communities. With our growing

pluralism as a nation, arts organizations rooted in our many diverse cultures and in the variety of disciplines can help us appreciate our rich heritage as Americans and help realize our creative potential as a nation. Yet like any infrastructure, the organizational network of the arts requires adequate financial and social support if it is to maintain and further develop its capacity. In recent years, conditions have placed increasing strains on this organizational infrastructure resulting in serious challenges, sometimes jeopardizing specific institutions and alerting all of us that these artistic resources may be at risk.

***FUTURE CONCERNS.*** During the 1980s, the phenomenal growth and diversification of arts organizations and activities throughout the country seemed to indicate a continuing potential for expansion as well as the availability of resources necessary to sustain such vigor. As the Baby Boom generation came of age, affecting workstyles as well as lifestyles, many assumed that the nation was heading toward a leisure society with increased time for the enjoyment of the arts as well as the wealth and manpower to sustain growing arts organizations. Steadily increasing state arts appropriations contributed to the flourishing of arts organizations in the 1970s and 1980s, with aggregate state funding surpassing the Arts Endowment's annual appropriation for the first time in 1986.

The substantial reduction of inflation helped arts organizations in most fields achieve real growth in both earned and contributed income. Many arts organizations were able to broaden their bases of support, securing a workable mix of earned and contributed income from public and private sources. Success at sustaining organizational growth could be seen, for example, among opera companies. According to OPERA America, total income for a sample group of 54 opera companies rose 29% between 1985 and 1989, outpacing expenses which rose only 22%. Similarly, total income kept pace with expenses for sample groups in the theater and orchestra fields during the second half of the decade of the '80s.

Yet, even in these prosperous times, few arts organizations could build reserves for the future. While some museums, orchestras, and opera companies successfully managed to build endowments during the "boom years," many others, as well as most theater and dance companies, could not build reserves to carry them through financial difficulties, unforeseen circumstances, or a changing environment. This was true of approximately half of the non-profit professional arts organizations in the country that were established in the 1960s and 1970s. Consequently many organizations, large and small, in the 1990s are essentially under-capitalized.

To address this problem, arts organizations are working to develop endowments and cash reserves as well as to find ways to share costs, facilities, and resources with one another. According to preliminary findings of a Foundation Center study, arts institutions are expressing an acute need for unrestricted operating support in order to maintain the organizational capacity that has been built up over the past three decades. Similarly, in a recent reassessment of its Challenge Program, the Arts Endowment recognized the pressing

needs of many major arts institutions being destabilized by financial stress. Therefore, beginning in 1993, the Challenge Program will again focus primarily on organizational stabilization initiatives.

Emerging and culturally diverse organizations also face potentially unsettling financial circumstances that can cloud their artistic vision. The Advancement Program provides consultants to grantee organizations to help them develop long-term planning capacity as well as deal with short-term, immediate needs. The new Capstone initiative of the Expansion Arts Program is designed to help multidisciplinary, culturally diverse organizations develop new sources of earned income. If this three-year pilot proves successful, it may hold entrepreneurial potential for other types of arts organizations.

Other problems confronting arts organizations in many fields and of varying size include the increasing cost and decreasing availability of space, frequent management turnover, increasingly scarce resources, and the challenge of diversifying community connections. Downtown redevelopment and rising real estate prices of the last several years have driven up the costs of facilities, confronting many arts organizations with the unpalatable choice of either losing their space or devoting an inordinate portion of their budgets toward rent. At the same time, even securing adequate facilities is a concern for medium-sized organizations in several fields, including dance, expansion arts, and folk arts, as such organizations reach a stage beyond which they cannot progress without appropriate facilities. In some locations, arts facilities are being constructed without thoughtful planning regarding programming or artistic use, resulting in costly facilities that do not work well. The Arts Endowment has been working with a task force of private foundations in developing a new Facilities Fund Project to help arts organizations cope with such problems.

The human costs of dealing with a complex, changing, and sometimes inhospitable environment while maintaining creative energy and vision can be seen in management "burn-out" and turnover among arts organization administrators who face high stress and low pay. As many arts organizations seek to "right-size," they often cut back staff, putting an added burden on the remaining personnel. In other cases, organizations may resort to economizing on artistic personnel and compensation. Emerging organizations face the added problem of competing for skilled artistic and managerial personnel against affluent organizations that can offer more competitive salaries. The costs, both in terms of human capital and organizational stability, are substantial.

Arts organizations and their national service organizations are exploring a variety of ways to cope with such administrative problems. Institutions in many disciplines are searching for ways to share organizational tasks among a changing cadre of community volunteers. A renewed spirit of cooperation is leading to collaborations and consortia designed to make the most of scarce resources. Many fields see the need for enhanced professional and leadership training programs for both young and mid-career managers. Others feel a new emphasis on

training for boards of directors would help these important volunteer leaders better serve as key ties to community and learn to effectively diversify financial support for arts organizations.

Profound changes in the demographics of American communities present opportunities and challenges for arts organizations. Increased outreach and arts education are imperative to foster the next generation of artists and audiences and to ensure a place for arts in tomorrow's world. The abundant variety of culturally diverse artistic fare holds potential for audience cross-over and expansion. The opening of new international markets, increased attention to the national education agenda, and the emphasis on local empowerment all embody a culturally diverse aspect.

The combined weight of these old and new problems is taking its toll in the quality and extent of artistic programming and sometimes in the very survival of arts organizations. According to a Theatre Communications Group survey of non-profit professional theaters for FY91, theater touring activity declined by 33.5% from the previous year, thus reducing public access. In contrast to the prosperity of the 1980s, nearly half of the nation's theaters ended the FY91 season with operating deficits. At least 25 theater companies have been forced to close their doors during the past five years. If current conditions persist, the theater field stands to lose other valuable groups which work to preserve and continue America's theater heritage.

The American Symphony Orchestra League reports that total income in the orchestra field increased by only 5% between 1989 and 1991 while expenses grew by 6.4%. As a consequence, the field-wide deficit grew by 63.3% from \$11 million in 1989 to \$18 million in 1991. In 1990-1991, accumulated deficits continued to increase in 18 orchestras studied since 1987 in spite of transfers of principal from endowments to general operating funds by at least one-third of the sample group in each of the five years. By the end of the 1990-1991 season, the aggregate accumulated deficit for this group was more than \$60 million.

According to OPERA America and the National Alliance of Musical Theatre Producers, about half the opera-musical theater field showed deficits in 1991. Since 1990, the total aggregate deficit tripled even though the number of organizations posting deficits did not increase dramatically.

In FY91, 48% of Dance/USA companies responding to its survey reported ending the year with operating losses and 30% had accumulated deficits. Only a third of the surveyed dance companies finished the year in the black and without accumulated deficits. The Dance Program notes that many companies are reporting reduced touring activity. Major touring companies such as the Joffrey Ballet, the Alvin Ailey Company, and American Ballet Theater are endangered by the squeeze of increasing costs and a declining ability to earn income through touring.

The importance of continued Arts Endowment involvement in dance touring is underscored in Dance/USA's recent dance touring survey: "The Federal government's presence in dance

touring is vital. As a vehicle for federal commitment to the principle of dance touring, as the largest single source of dance touring support, and as the agency that has had the most influence in shaping the country's dance touring system, the National Endowment for the Arts is an irreplaceable partner in any effort to build a reliable base of support."

The health of presenting organizations also affects dance companies, which depend heavily on touring income. Operating costs for presenters have, for the last few years, been growing more rapidly than income, making it more difficult for them to meet the fees necessary to support performances by large performing groups. In 1989-90, 18% of respondents to a survey by the Association of Performing Arts Presenters reported operating deficits averaging \$48,850. In 1990-91, more presenters (24%) reported larger deficits (averaging \$86,850).

The problem of increasing deficits is particularly acute in areas experiencing severe economic stress. The Expansion Arts Program reports that the most serious deficits in its field are occurring in areas such as New York, Virginia, Michigan, and Massachusetts, where state support for the arts is being cut back. In the museum field, where most art museums report that income is down, institutions are finding it necessary to let staff go, reduce programming, and, in some cases, to curtail hours open to the public. Here, too, some of the most serious current examples, such as the Detroit Institute and the Brooklyn Museum, are in states and cities hard-hit by the recession, where public support for the arts had been cut. Overall, state appropriations for the arts declined between 1990 and 1991 by 6% and by another 22% in 1992.

Furthermore, not all arts organizations or activities had benefitted equally from the "boom years." At least five organizations based in communities of color closed in the Boston area alone during 1985, including one that had been a model community school of the arts. Also lost was the New York-based Black Theater Alliance, one of the major forces of the Black Arts movement of the 1960s, and the seminal Free Southern Theatre (FST). Younger organizations in every field are still struggling to compete for increasingly scarce resources with more established organizations.

One consequence of the growth years was a differentiation and diversification of the needs and capabilities of arts organizations. Therefore, no single approach or solution to current problems is likely to apply to all arts organizations. Today, arts organizations in all fields face extraordinary challenges. Major social, demographic, and economic changes present both problems and opportunities which will require strategic and innovative thinking on the part of arts organizations, policy-makers, and funders. In contrast to the growth ethos of the 1980s, progress in the 1990s may have to be redefined in terms of creative vitality rather than budget size.

Seeking ways to respond creatively to a changing world, the Arts Endowment is working with arts organizations directly, and through their national service organizations, to help develop strategies and to identify solutions. Annual meetings, workshops, and services of virtually all national service organizations are focused on helping their members cope with the present

economic environment and adapt successfully to changing conditions. These exchanges, as well as discussions among Endowment program review panels, task forces engaging public agency and private foundation supporters, and at Arts Endowment-hosted roundtable meetings, provide forums to analyze problems, share ideas, and develop strategies to nurture the institutional infrastructure of the arts.

Clearly, there needs to be a better understanding of the fabric that supports culture--within disciplines, within organizations, and within society. The interrelatedness of the components of the cultural ecology needs to be recognized so that support can be most effectively invested. Fundamental to these efforts is the task of better conveying to a broader public one central idea: that the arts are a vital part of our society, our economy, and our future.

## INVESTMENTS IN CREATIVE ARTISTS

The National Endowment for the Arts and the Congress both recognize that the public investment in supporting individual artists and the creative process bears dividends, both artistic and public. Congress has repeatedly affirmed its original judgment that "...it is necessary and appropriate for the Federal Government to help create and sustain not only a climate encouraging freedom of thought, imagination, and inquiry, but also the material conditions facilitating the release of this creative talent."

Over the last three decades, the Arts Endowment has established a wide range of mechanisms to support gifted and imaginative individual artists and assist their creative efforts. Support is provided through direct fellowships, grants, and commissions, as well as through funding to arts organizations which, in turn, employ and commission individual artists. Offered by most Arts Endowment programs, support to individuals is intended to encourage the creative process, to recognize artistic and lifetime achievement, and to help sustain career development at various stages. Artists also benefit from federal support to artist colonies and for arts service organizations which provide technical assistance and services, enabling artists to expand the distribution of their work and reach a broader public.

Fellowships have often supported American writers early in their careers. On average during the 1980s, 60% of writers who won major national awards such as the Pulitzer Prize and the National Book Critics Circle Awards had received grants from the Arts Endowment earlier in their careers. Seventy percent of the Pulitzer Prize winners in Poetry over the last decade have been provided early career support by the Arts Endowment, as have two-thirds of the winners of the PEN Faulkner Award For Fiction. Mona Van Duyn, who won the 1991 Pulitzer Prize for Poetry, received an Arts Endowment fellowship from the Literature Program in 1967. Oscar Hijuelos, winner of the 1991 Pulitzer Prize for Fiction, received an Endowment fellowship in 1985. W. Lewis Hyde, recipient of a MacArthur fellowship in

1991, had received a Literature Fellowship in 1982. National book awards winners in 1991, Norman Rush and Phillip Levine, had received Literature Fellowships earlier in their careers.

The Arts Endowment has also provided early support to an extraordinary lineup of American playwrights, including David Henry Hwang, who received a Tony award for his now famous work, *M. Butterfly*, and playwright Eduardo Machado who received grants in 1981, 1983, and 1986. Mr. Machado's plays *The Modern Ladies of Guanabacoa*, *Once Removed*, and *Broken Eggs* have been performed at major theaters throughout the country, including the Mark Taper Forum, Long Wharf Theater, Repertorio Espanol, and the American Place Theater.

At present, the Arts Endowment administers 23 grant categories that provide fellowships or grants to individual artists, another 8 which support commissions or project grants to artists through organizations, 10 which support artist residencies, and 19 categories of support reaching individuals indirectly through organizations that award subgrant support for creative or career development. Artists supported through these funding categories include writers, poets, filmmakers, video artists, playwrights, actors, dancers, musicians, folk artists, performance artists, museum professionals, arts administrators, visual artists, and choreographers.

The Arts Endowment also provides support for professional training via scholarship assistance to conservatories, support for professional theater training programs and advanced training programs for young singers, and assistance for early career development through support for the work of such organizations as Young Concert Artists, the Pro Musicis Foundation, the Concert Artists Guild, and Affiliate Artists Inc. The Arts Endowment also provides apprenticeship assistance in various fields through the State Folk Arts Apprenticeship programs; the Arts Job Corps, which places graduate students in the arts in small communities for six weeks during the summer; and the Chamber Music Rural Residencies pilot, which in 1992-93 placed nine emerging ensembles in rural communities for a full school year.

Through support for creativity, the National Endowment for the Arts has also taken care to foster art forms which are uniquely American or which have flourished in the creative climate of the United States in recent decades. American jazz is an important example. This American art form is universally appreciated and understood. Jazz music and professional jazz artists have flourished with support from fellowships as well as performance and production grants. The annual award of American Jazz Masters fellowships recognizes artists in the field of jazz who have made a significant lifetime contribution to the art form in the African-American tradition. Recent recipients have included Betty Carter, Dorothy Donegan, and Harry Edison.

Although the phenomenon of musical theater is now international, the "Broadway" musical is considered an American invention. Many important additions to the repertory of American musical theater, including *Sunday In The Park With George* and *A Chorus Line*, began as non-commercial workshop productions that were supported in part by the Arts Endowment. In recent years, the Endowment has expanded its support of new work, including the creation,

development, rehearsal, and production of outstanding new musical theater to help foster this unique and popular American art form. The Arts Endowment has also provided key catalytic support for the creation of new American operas, such as *The Ghosts of Versailles*, which reached millions of Americans on radio and television in 1992.

Through National Heritage Fellowships, the Arts Endowment honors and supports men and women who practice and preserve traditional art forms. These enduring traditions are practiced by people who share a common heritage, occupation, language, or geographic area and are frequently passed on from one generation to the next. They reflect the special beauties and values particular to a region, a way of life, or a cultural history. While individual traditions may not always be indigenous to this country, taken as a whole, traditional folk arts do exemplify our national diversity.

In 1991, the individuals and traditions honored at the Tenth Annual National Heritage Fellowship ceremonies included: Arbie Williams, an African-American quilter; Melvin Wine, an Appalachian fiddler; Esther Littlefield, an Alaskan regalia maker; and Don King, a Western saddlemaker. In 1992, the National Heritage Fellowships included John Naka, a Bonsai artist; Marc Savoy, a Cajun accordion maker; Francisco Aguabella, Afro-Cuban drummer; and Walker Calhoun, major bearer of the ancient repertoire of Cherokee songs, dances, and ceremonies.

Opportunities for creation can also take the form of commissions. Many assisted by Arts Endowment grants, are initiated by communities across the nation. For example, a 1992 Art in Public Places grant of \$10,000 to visual artist Maggie Smith and architect James Cutler supported the creation of a memorial in Salem, Massachusetts to those who were persecuted in the 1692 Salem witch trials. Matched by funds from the local Knights of Columbus, the Shawmut Bank, the Salem Five Cents Savings Bank, and the House of Seven Gables, the memorial has received wide acclaim. The site, a small park with stone memorial benches adjoining a Salem graveyard of that period, will be visited by most of the 750,000 people who tour the seaport tour each year.

The Arts Endowment also supports repertory enrichment and commissioning. For example, in 1984-1986, it supported the National Choreography Project, funded collaboratively by the Dance Program, EXXON, and the Rockefeller Foundation. Based on this three-year pilot, a National Repertory Enrichment Program was funded. The Arts Endowment also helped to initiate commissions, through Challenge III, for new American works at the Kennedy Center.

The Arts Endowment is virtually the only source of funding for individual artists in radio. The number of excellent independent radio artists has never been higher. Regional fellowships in filmmaking, administered by seven Media Arts Centers, have been in place for 13 years. In FY92, each regional center was awarded \$60,000 to administer subgranting programs for film and video artists. These small grants of between \$1,000 and \$5,000 have encouraged emerging artists of excellence and resulted in an admirable body of work which has been exhibited and stimulated over a million dollars in private and state monies.

Many regional media fellowship projects have gone on to be huge successes. For instance: Mark Kitchell's *Berkeley in the Sixties* was nominated for an Academy Award, released theatrically across the country, and broadcast nationally on *POV*; Arthur Dong's *Forbidden Cities* was broadcast nationally as part of *The American Experience*; Julie Dash's *Daughters of the Dust* was released theatrically and broadcast nationally on *American Playhouse*; Trish Minh-ha's various works have received international and national critical acclaim; *Roger and Me*, by Michael Moore, one of the most successful documentaries ever to be released theatrically, was also broadcast on *POV*; Mark Mori was nominated for an Academy Award for *Building Bombs*.

For many American artists who have received fellowships, grants, or commissions from the Arts Endowment, the intangible impact of national recognition accorded through peer evaluation enhances the value of the financial support. At a meeting of the National Council on the Arts in May of 1992, a number of artists spoke about the impact of Endowment funding on their careers, on the creation of new work, and on the development of their own creativity. From a dancer/choreographer:

Most innovations in modern dance have been by independent choreographers, from Martha Graham, to Twyla Tharp, to Mark Morris, to Bill T. Jones, when they were not yet attached to a company support system. Innovation is perhaps the most vital factor in nourishing the art form of dance and it can best be fostered by support from an organization like the National Endowment for the Arts.

For me, the recognition at a national level by my peers was a powerful stimulant to my creativity. It affirmed my faith that I had something worthwhile to offer, that my work was communicating with the audience.

A university-based playwright who specializes in works for young audiences, observed:

There is just one reason why I was so pleased to be awarded a fellowship grant. I think a fellowship is an act of confirmation, and an act of faith, on the part of the National Council, on the part of the panel, and on the part of the American people. It is a confirmation of my past work, some kind of statement about my impact on the field, but for me it is also a validation of a philosophical commitment to exploring the depth and dignity of childhood on stage.

Over the years, the Endowment has found lots of ways of supporting individuals and assisting the creative process, but to me none has been more effective or more efficient than direct support to individual artists.

Individuals receiving fellowship support are required to complete a written report detailing the impact of federal support and the work created or completed as a result of funds invested. These, too, illustrate the value of the Arts Endowment's support. An author recently recorded these thoughts concerning the impact of funding from the Arts Endowment in a final report:

First and foremost, the National Endowment for the Arts fellowship immediately provided benefits in my job as a journalism teacher at one of the country's best programs. I was promoted from associate to full professor based, in part, on national recognition as a writer, I was given release-time to compose as a creative writer, and I was reassigned more writing workshops and fewer editing and lecture classes. During the grant period I brought to completion several half-finished projects and began new work. I completed seven stories, composed four new essays, and composed nearly forty poems. Without a doubt, the award gave me the confidence to persist as a creative writer, and encouraged me beyond measure.

Such testaments help explain why support for individual artists has been a cornerstone of the Arts Endowment's mission to foster creativity and to invest in advancing American artistry. Although annually the Endowment receives approximately 10,000 applications for individual grants, only about 500, or 5%, succeed in winning grant awards. Thus Endowment categories supporting individuals are the most competitive. Although the number of artists supported may be relatively small and the amount of money involved only about 5% of the Arts Endowment's program funds, the impact of this support should not be underestimated. The Endowment is the single largest investor in the broadest range of artistic creativity in the nation. These grants have recognized and enhanced the cultural diversity, innovativeness, and richness of our nation; they have also promoted the international stature of American artists.

**CURRENT CONCERNS.** Over the last two decades, the numbers of artists in virtually all arts fields have grown as public appreciation of their work increased. But most artists cannot make a living practicing their art and must do other work to survive. For example, according to a 1989 Arts Endowment survey of the working conditions for choreographers in four cities, choreographers earned only about \$4500 annually from their creative efforts, but spent nearly three times that on costs associated with making and producing that choreography. Thus, artists provide a major "hidden subsidy" for the arts. Most lead difficult lives, struggling to find enough time to devote to their vocation. Fellowships which "buy time" for promising artists to complete a novel, a film, a dance, sculpture, or opera seek to nourish the seedbed of creativity out of which the significant works may grow. Public exposure, critical attention, and skilled management are crucial for all artists, contributing to their professional development and helping bring them into contact with their audience. Yet these necessities are often hard for artists to obtain, particularly for emerging artists of color.

At mid-life as family responsibilities and professional expectations increase, many artists, particularly in the performing arts, find it economically difficult to sustain their careers in the nonprofit arts.

Finally, documentation and preservation of the work of individual artists is erratic and often expensive. The issues of presentation and documentation vary from discipline to discipline. Composers, painters and sculptors, and even designers leave something tangible behind to

demonstrate as their work, but performers may only leave a moment. Preservation of such moments are vital if these creative accomplishments are to become part of this generation's artistic legacy. For example, the crucial needs in the area of dance preservation were underscored in a 1991 report, Images of American Dance: Documenting and Preserving a Cultural Heritage. The report, commissioned by the Arts Endowment and the Andrew W. Mellon Foundation, noted:

Documenting, preserving and passing on the legacy of dance directly supports a broad range of objectives: from supporting artists with crucial working tools, to developing new audiences, to enlivening dance education, to deepening cultural understanding, to fostering and celebrating our heritage.

The marginal incomes of many artists give rise to other problems. As self-employed or part-time employees, many artists do not have access to affordable health insurance. A 1991 report by the American Council for the Arts notes that 18% of a national sample of artists do not have health coverage compared with 13.9% of the general U.S. population. In a six-city subset, the percentage of uninsured climbs to 30%. The AIDS-HIV epidemic, which is robbing the nation of some of its finest artistic talent, is contributing to the escalating costs of health care for all artists. Other problems, such as the difficulty of retaining affordable housing and workspace in our cities as well as tax and copyright issues, continue to vex the lives of many artists.

In the current economic environment, many artists who rely on non-arts jobs to support their artistic endeavors find this income threatened. For example, artists working in schools are seeing many of their positions eliminated because of local budget constraints. This is occurring even as the national focus on reforming American education ought to be increasing opportunities to expand arts education. Similarly, the ability of artists to capitalize on new technologies and the potential of international exchange opportunities is limited by lack of funds at the very time when new opportunities for exploration and exchange are opening up.

To help individual artists to complete or create new work, Arts Endowment grants can provide or subsidize resources as basic as rehearsal space, canvas, and paint or as essential as health care and rent. Indeed, Arts Endowment support for the work of individual artists can be seen as a supply-side investment strategy expanding the capacity to create new artistic resources. Federal support for individual artists has helped change the geographic distribution of artists throughout the country. New York and California form the hub of commercial arts industries with substantial non-profit artistic activity and thus retain the largest number of resident artists. Yet as the arts have become a national phenomenon, artists now also establish their careers in states like Massachusetts, North Carolina, Michigan, and New Mexico where they can work amidst vigorous artistic communities and engaged publics. Thus, artists are a part of the mainstream of many communities where they are valued and appreciated by local citizens as well as national audiences. [*For state by state information on numbers of artists reached, see Part II: Illustrating the Investment in the Arts at Home.*] A prime challenge for

the future may well focus on the demand side of the creativity equation: developing new and more effective ways to bring the nation's talent to a broader and more diverse public.

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Artistic vitality depends on creative, talented people working individually or collectively as well as on the resources and commitment of arts organizations. Artists constitute invaluable human assets of American creativity. Arts organizations constitute a national infrastructure for the production, distribution, and preservation of the arts that encompasses a variety of arts disciplines and embraces our cultural diversity. The practice of art requires vision as well as an environment and resources that allow artistic expression to be developed, realized, recognized, and appreciated. Through its efforts to foster artistic excellence, the Arts Endowment has added significantly to our nation's artistic assets and infrastructure.

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**Arts Education**  
Divider Title: **Investing for the Future**

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### *III.*

## **ARTS EDUCATION: INVESTING FOR THE FUTURE**

The importance and value of arts education was eloquently stated in the original version of the National Endowment for the Arts' enabling legislation:

Americans should receive in school, background and preparation in the arts and humanities to enable them to recognize and appreciate the aesthetic dimensions of our lives, the diversity of excellence that comprises our cultural heritage, and artistic and scholarly expression.

As a consequence, the Arts Endowment has long been committed to furthering arts education. In 1969, with the institution of the Artists-in-Schools (AIS) Program, the Arts Endowment supported artist residencies in schools. In addition, several of the Endowment's discipline programs invested in professional training for artists as well as in public audience education projects. Gradually, the AIS approach broadened into the Arts in Education (AIE) Program becoming more proactive about making the arts into a sustained set of learning experiences, including not only appreciation but understanding and skills development, rather than simply bringing artists into the nation's schools. Since then, the AIE Program has sought to increase students' skills, awareness, knowledge, and acceptance of the arts; enhance the skills and support the collaboration of artists, teachers, and administrators involved in arts education; and encourage cooperation among the arts and the education communities. The improvement of arts education in our nation's schools is now firmly established as a long-term and agency-wide Endowment goal.

## CONDITION OF ARTS EDUCATION TODAY

In the 1990s, as the nation focuses on the need to reform and reinvigorate education, it is more important than ever to recognize and support the contribution which the arts can make to education as an investment in the future of our children and of our country. Yet arts education is not limited to children or to the classroom. It can extend over a lifetime and take place in museums, concert halls, and community centers as well as in schools, conservatories, and universities. By devoting more of our attention and resources to education activities, the Arts Endowment is helping to develop diverse and far-reaching high-quality educational programs, both formal and informal. The integration of education and the arts throughout one's lifetime helps to make the arts basic to education, to foster new generations of artists and audiences, and to reinforce the excellence and diversity of American art.

Arts education is doubly valuable. First, instruction in the arts teaches students about a vast and complex heritage that is basic to civilization. Second, it helps students acquire knowledge, develop skills, and gain insights that can have specific applications. Through education, all people can explore their creative potential in diverse ways and to varying degrees. Through education, Americans are introduced to the diversity of art forms and cultural experiences which contribute to the national experience.

Congress, recognizing these needs and opportunities, both expanded and elaborated on the Arts Endowment's educational mission in the 1990 reauthorization of the agency. That mandate now requires the Arts Endowment to:

- o work to increase accessibility to the arts through providing education to all Americans, including diverse cultures, urban and rural populations by encouraging and developing quality education in the arts at all levels, in conjunction with programs of nonformal education for all age groups, with formal systems of elementary, secondary, and post-secondary education;
- o develop and stimulate research to teach quality education in the arts; and
- o encourage and facilitate the work of artists, arts institutions, Federal, State, regional and local agencies in the area of education in the arts.

In response, the Arts Endowment has focused primarily, but not exclusively, on pre-kindergarten through 12th grade education in order to link the arts with ongoing educational reforms of local, state, and national organizations and institutions. The intent is to move the arts to the core of the nation's educational efforts and to make the arts essential to the school curriculum.

The arts are valuable to the educational program of the nation's schools both in their own right and as a program of instruction. Through the arts, students can be energized to better academic performance in other subjects and to develop a fuller appreciation of our diverse

society. Through education in the arts, future generations will become more aware of their opportunities to participate in the arts, recognize the need to preserve our nation's artistic treasures and traditions, and honor and enjoy creativity and imagination. Support for arts education is an investment strategy that promises dividends for all. By investing in the educational future of our children, the Arts Endowment is also working to increase the access of all Americans to the arts and to enrich the artistic, educational, and economic opportunities of our citizens by bringing the creative energy of the arts into their daily lives.

The Arts Endowment's 1988 publication, Toward Civilization, was a milestone in the recognition of the contribution which the arts make to a child's intellectual, artistic, and cultural development and to the nation's artistic life. In response, the commitment to developing a coordinated national arts education agenda was renewed. Toward Civilization showed why the nation must view the arts as a long-term investment strategy for improving the lives of our children by determining that study in the arts provides students with four important benefits:

- o a sense of American civilization and of the other civilizations that have contributed to it;
- o reasoning skills and creativity;
- o the means for effective communication; and
- o assistance in making wise choices among the products of the arts.

These conclusions were further substantiated by several studies by the National Arts Education Research Center at New York University, which found that learning comprehension and retention as well as test scores in other curriculum subjects, improved when the arts were used as a teaching device. Study of the arts also enhanced critical thinking abilities and creativity as well as student self-esteem and respect for others.

Despite past efforts and recent progress, much remains to be done. The remaining challenges pose many opportunities for the arts and education communities. To aid our students in the development of a sense of competency in the arts there need to be additional efforts in curriculum development and reform, testing and evaluation procedures, teacher preparation and staff development, research and development, and school leadership. These issues, long a concern of arts professionals and educators, were well articulated in Toward Civilization:

In general, arts education in America is characterized by imbalance, inconsistency, and inaccessibility. There is a curricular imbalance in the relationship between the study of art and the performance and creation of art. There is inconsistency in the arts education students receive in various parts of the country, in different school districts within states, in different schools within school systems, and even in classrooms within schools. Because of the pressures on the school day, a comprehensive and

sequential arts education is inaccessible except to a very few and often only to those with talent or a special interest.

For example, a study, "The Status of Arts Education in American Public Schools," conducted by the University of Illinois examined a sample of arts education programs offered between 1962 and 1989. It found that, although the number of large elementary schools offering art as part of the curriculum and employing specialists to teach music classes increased, both the amount of time devoted to teaching and the number of schools offering musical training declined. The study reports that an increase in the amount of time and resources allotted to teaching the arts in elementary school is essential for building interest in and a foundation for future arts educational achievement. Such an added investment could prove particularly productive if one considers the effect the arts have on learning in the other disciplines.

Although research indicates growing public awareness of the positive benefits of arts study, this development has not been sufficient to prompt educational change. Such change is needed if we are to give our students the same advantage as other students internationally. A recent study conducted for the Arts Endowment by the Council for Basic Education compared the programs of study in arts education as taught in the schools of Japan, Germany, Great Britain, and the United States. Not only were American children found to be spending less time studying the arts but American schools were offering art programs that were less comprehensive in nature than those in other nations. Furthermore, the value of study in the arts was also found to be more clearly understood by other nations than by the United States.

## EDUCATIONAL INVESTMENT OPPORTUNITIES

During the past few years, a growing body of evidence now demonstrates critical links between good art and good education as well as between the many ways in which the arts can have a positive impact on schools, students, curriculum, and the learning environment. While the Arts Endowment, arts organizations, artists and teachers, and many others recognize the value of good arts education, collectively we as a nation still have not committed sufficient support for the study of the arts in our school system. The contributions which the arts can make to the overall educational preparation of our children, fostering the transmission of our national artistic heritage and traditions, and contributing to the economic health and creative well-being of the country are not generally recognized nor fully understood. However, despite this potential, students all too often pass through the schools without the opportunity to experience the personal, social, and academic benefits of arts study.

Three activities characterize the Arts Endowment's current arts education initiatives: (1) encouraging and facilitating the efforts of individual artists and artistic organizations to improve educational opportunities for students; (2) developing partnerships among public and

private organizations to combine resources and increase attention on broader opportunities for arts education at the local, state, regional, or national level; and (3) providing financial support and encouragement for projects in arts education research, dissemination, and development which will help to articulate the challenges and opportunities facing the field.

***FOSTERING COLLABORATIONS*** between the artistic and the educational communities brings the talents and resources of knowledgeable and experienced arts professionals to education projects in American schools. This continues a long history of interaction between arts organizations and schools through the traditional education programs of many arts organizations. Yet, collaborations also reflect a new level of seriousness and concern that the arts should be full partners in the educational process and not merely enrichment activities. The belief that excellent art is essential to excellent arts education is the key to these collaborative efforts and is demonstrated through the synergy exhibited between artists and the schools.

Program initiatives such as Arts Plus are the vehicles of this strategy. These multi-year awards invest in professional arts organizations working directly with elementary and secondary schools in the community. These initiatives strengthen, document, and evaluate effective, long-lasting partnerships that make the arts basic to education in these schools. During 1991 and 1992, 14 innovative programs were awarded support, including the Children's Dance Theatre in Salt Lake City, Utah; the Festival of Music in Englewood Cliffs, New Jersey; and the Guadalupe Cultural Arts Center in San Antonio, Texas.

Collaborations have also developed between programs at the Arts Endowment in order to address specific arts education needs and opportunities within one or more fields or arts disciplines. These program collaborations are long-term investments which help make education central to the missions of arts organizations, thereby expanding the opportunities of children to experience excellent arts directly. Many Arts Endowment Program Collaborations target arts disciplines which receive little formal attention and attract limited participation in most schools, such as opera and musical theater, design, theater, and dance. Others focus on frequently under-served students in rural or inner-city communities.

For example, the Music and Arts in Education Programs have joined in support of five historically black colleges and universities to improve the quality of music education for students in elementary and secondary schools in Nashville, Tennessee; Greensboro, North Carolina; Atlanta, Georgia; Montgomery, Alabama; and Jackson, Mississippi. Similarly, the Arts Job Corps involves the collaborative efforts of various Arts Endowment programs and local arts agencies, including the Media Arts and AIE Programs, and the National Assembly of Local Arts Agencies. In its first round of activity in the summer of 1992, the Arts Job Corps sponsored 11 graduate students in media arts, dance, music, and theater in six-week residencies in small towns and rural areas such as Kodiak, Alaska; Newport, Oregon; and Blytheville, Arkansas. This initiative has the potential to advance the careers of promising

young artists while also employing them as new community resources. These artists teach others about the arts and provide opportunities for residents of all ages to learn about and enjoy the arts. Like other arts education collaborations, each grant represents a public investment that bears dividends for the arts, for education, for students, and for the community.

A number of Arts Endowment programs support educational activities as an integral component of their discipline activities. This may take the form of life-long learning programs, professional training and educational activities, public demonstrations or exhibits, or other efforts to provide education programs beyond the classroom.

For example, the Arts Endowment supports museums in their educational and public service missions. In its report, "Excellence and Equity: Education and the Public Dimensions of Museums," the American Association of Museums clearly articulated the educational purpose, pluralistic goal, and community service potential of museums looking toward the next century. Concurrently, the Arts Endowment's Museum Program, which has long supported educational projects of museums, revised its FY92 guidelines to encourage programming with schools. These museum-initiated projects provide students in grades K-12 with multi-visit or in-depth learning experiences that integrate the visual arts and the appreciation of the original art object into classroom study. In addition, the Museum Program also offers support for professional training in the form of conservation internships in museums.

The Design Program of the Arts Endowment has taken a national lead in promoting design education programs, both as ongoing professional training and as public awareness and education. Professional designers must constantly strive to keep pace with changing economic, technological, and sociological factors which affect the creation and practice of design. The public--users of design--must be educated to understand not only what design is, but also the complicated and demanding process it entails. Education of the general public as to the value of good design is an investment opportunity that will pay off for the public as well as for the design industry. Therefore, the Design Program supports projects that contribute to the advancement of design education. For example, it has worked with the National Building Museum to develop a major design education exhibit, "From Mars to Main Street: American Designs, 1965-1990" which is intended to help the public see, evaluate, and more actively shape federal design. The "Learning Through Design" initiative is designed to motivate students to hone their creative problem-solving and critical thinking by using design as a catalyst for learning as well as to stimulate more widespread integration of design in the K-12 curricula.

Such projects strive to improve the excellence and diversity of art and at the same time to increase participation in the arts by the public. Arts Endowment programs foster educational objectives in forums beyond the classroom and represent a continuing investment in the future of the nation.

**DEVELOPING PARTNERSHIPS** to help revitalize American education is a complex task requiring the combined efforts of schools, universities, teachers, and parents as well as business, foundations, state and local government officials, and professional arts organizations. Similarly, the campaign to integrate the arts into education brings in artists, arts organizations, and public arts agencies at all levels. Each partner brings particular resources to the challenge; together the capacity for accomplishment is multiplied. Making the arts basic to education and realizing the potential benefits for the nation will require the cooperative efforts of every partner. Current investments not only break new ground but capitalize on previous accomplishments in an effort to reap future dividends for all.

One key group of partners in making the arts basic to education are the state arts agencies (SAAs). In conjunction with the Arts Endowment, the SAAs form a national network that develops and carries out comprehensive plans to make the arts basic to education. SAAs are encouraged by the Arts Endowment to develop partnerships at both the state and local levels. This network provides a strategic mechanism for helping to bring the arts into the core of both formal and informal educational systems. SAAs receive support through the Arts Education Partnership grants, which maintain and strengthen arts residency programs by ensuring that quality artists are brought into the schools. The state agencies work with teachers to institute new ways to integrate arts instruction in the classroom and also serve as catalysts for change by fostering the development of curricular, research, and advocacy resources. *[For state by state information on arts education activities, see Part II: Illustrating the Investment in the Arts at Home.]*

The Arts Endowment has played an active role in the development of the AMERICA 2000 Arts Partnership. This national partnership strategy, involving the Department of Education, the Endowment, and others, has identified seven key projects that will significantly advance the arts education agenda. These include:

- o developing voluntary World-Class Standards in the arts,
- o promoting the arts in AMERICA 2000 communities,
- o creating a national center for arts education,
- o expanding the National Assessment of Educational Progress (NAEP) to include the arts by 1996,
- o designing a research agenda in arts education to better inform education reform efforts,
- o developing a national arts education dissemination network, and
- o helping states implement high national standards.

Partnerships are also productive at the community level. A good example is a new initiative sponsored by the Arts Endowment, the Chamber Music Rural Residencies pilot which provides funds to place trios and quartets of young professional musicians into nine rural communities in Georgia, Iowa, and Kansas for nine-month residencies. The musicians teach children and adults in areas where music teachers are scarce, while at the same time building ensemble repertoire and gaining professional experience.

The value of community partnerships is further detailed in the Arts Endowment's publication Intersections, which was an outcome of fact-finding meetings held across the country in 1991. As Intersections points out, the development of effective partnerships involves a complex process of interactive problem-solving, identification of mutual needs, and shared use of resources as creative responses to opportunities and challenges. Just as partnerships are a hallmark of how the agency works in the arts, partnerships are crucial to efforts in arts education.

***UNDERWRITING RESEARCH AND DEVELOPMENT (R&D) ACTIVITIES AND THE DISSEMINATION OF CRITICAL INFORMATION*** to interested communities is the third approach for advancing arts education. Effective policy and program implementation requires information, experimentation, and an awareness of the important issues. Indeed, the Arts Endowment has invested in arts education research and development for the past five years.

For example, the Arts Endowment supported the National Arts Education Research Center at New York University in undertaking classroom-based test case studies. This research provided evidence of how the arts contribute to test-score improvement in other academic subjects, to increasing students' self-esteem and appreciation of other people, and to enhancing critical thinking skills.

Similarly, the study "Understanding How the Arts Contribute to Excellent Education," by the Organization and Management Group, Inc., identified relationships between arts learning and academic achievement. This research found that the arts can (1) contribute to developing students who are actively engaged in learning; (2) foster the development of a creative, committed, and exciting school culture that engages students, teachers, and parents; (3) help generate a dynamic, coordinated, and cohesive curriculum; (4) create bridges connecting schools to the larger community, the broader culture, and other institutions; (5) humanize the learning environment; and (6) contribute to improved academic performance.

The arts and arts education communities are working toward the development of a conceptual consensus which will permit these critical steps to take place. By commissioning studies, supporting the publication of information, and assisting in model program development, the Arts Endowment can help to shape the development of arts programs in the schools and the educational activities of arts organizations.

Working in partnership, the Arts Endowment and the Department of Education's Office of Educational Research and Improvement convened a meeting in Annapolis, Maryland in May 1992 to develop a national research agenda for arts education for the next decade. The agenda seeks to identify compelling questions related to teaching and learning in the arts and determine how these solutions help make the arts an essential subject in the curriculum. The Arts Endowment and the Department of Education are currently working with a research steering committee to refine and disseminate the agenda. Key research questions already identified focus on curriculum, instruction, assessment and evaluation, teacher education, technology and media, and other policy issues including funding, advocacy, and collaboration. These are the basis for the next decade's research, development, and dissemination projects designed to gather information and find answers to questions raised by the May 1992 conference. Notably, this partnership has been hailed as a model for other government agency collaborations and became an important element of the AMERICA 2000 Arts Partnership.

## IMPROVING EDUCATION AND EXPANDING PUBLIC PARTICIPATION IN THE ARTS

These approaches and activities all seek to increase participation in, understanding of, and public involvement with the arts in America and to help reform and revitalize the education of American students through the creative infusion of the arts. The current national concern for improving education presents both opportunities and challenges for making the arts basic to education. It increases the demand for documented support of the benefits from an education in and through the arts. It creates an unprecedented opportunity for the arts to demonstrate that they successfully affect critical aspects of student achievement and of the school environment when programs are adequately funded, broadly supported, and substantial in nature. The arts now have an opportunity to show that when fully realized, they can articulate and contribute to the ways in which the creative process, artistic discipline, critical decisions, and cultural knowledge contribute to the full participation of a citizen in a democracy, to creative and motivated workers and entrepreneurs, to healthy and safe communities--in effect, contribute to education in the broadest sense.

To meet this challenge, all three activities--R&D, partnerships, and collaborations--must be used. One project which demonstrates the potential payoff of dynamic relationships between researchers, practitioners, educators, and professional artists is the development of national and world-class academic standards in the arts. This project, an element of the AMERICA 2000 Arts Partnership, is being pursued by practitioners with input from a broad cross-section of participants including artists, policymakers, teachers, administrators, and parents. The final standards document will be disseminated to the states and should provide an impetus for changes in curriculum frameworks, teacher education, and student assessment. It should also

generate new insights about the need for collaborations between the arts community and schools to achieve the learning expectations identified in the voluntary standards.

The establishment of voluntary standards for arts education is closely related to the need for development of a national arts education dissemination network. Working in partnership with the Department of Education and the Alliance for Arts Education (a part of the Education Department of the John F. Kennedy Center for the Performing Arts), the Arts Endowment is exploring the development of a National Arts Education Dissemination Network. The network would improve the availability of information on a range of topics including curriculum, research findings, evaluation and assessment, policy development, and demonstration projects. The importance of accessibility to the most current developments and information in the arts for both the artistic and educational communities cannot be overstated. This information and knowledge about critical development in arts education would extend the original investment in research, standards, and assessment projects.

Vital to integrating the arts into the schools is the inclusion of the arts as one of the subjects in the National Assessment of Educational Progress (NAEP). A NAEP assessment will permit identification of the knowledge of the arts possessed by a national sample of students in the fourth, eighth, and twelfth grades. This evaluation, currently scheduled for 1996, will also provide an indication of the progress which is being made in arts education.

The Arts Endowment also has worked with the Department of Labor to document the relationships between the arts and the development of skills necessary to function in the sophisticated workplace of the 21st century. In its report, "Learning a Living: A Blueprint for High Performance", the U.S. Department of Labor Secretary's Commission on Achieving Necessary Skills (SCANS) identified and recognized the value of the arts to achieving high performance job skills.

On a more popular level, the Arts Endowment and McDonald's Family Restaurants cooperated to produce the PBS television series *Behind the Scenes*, designed to instill critical and creative thinking skills through an exploration of the visual and performing arts. Although designed to appeal to younger children, through this series students of all ages can learn about rhythm, movement, color, and other artistic concepts. Such projects provide greater access to the arts through television and produce materials teachers can use in the classroom.

The ultimate goal of all these activities by the Arts Endowment and its many partners is to make exemplary arts education more universally available to the American people. In actively responding to the mandate of its 1990 reauthorization, the Arts Endowment has embarked on a path that could affect all aspects of the arts in America, helping future generations of artists, patrons, and audiences to reap the benefits.

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By developing and promoting this wide variety of partnerships, the Arts Endowment is in the forefront of placing the arts on the national education agenda. Clearly, arts education is not just an arts issue, nor is it simply an education issue. It is a concern to both as well as an issue with strong economic implications for the health of the nation. Through the Arts Endowment's development and support of research activities and dissemination of the findings, the arts community can point to changes necessary in schools and society to improve the condition of both the arts and education. These collaborative efforts can only improve all Americans' accessibility to the arts. The net result will be a more artistically appreciative population which recognizes that an investment in the arts is an investment in the future, in a citizenry which will bring its creativity and motivation into the cultural and productive milieu of the nation in the 21st century.

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Divider Title: Investing in Culture and Community

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*IV.*

## **INVESTING IN CULTURE AND COMMUNITY**

Community is both a place of residence and a spirit of shared identity. Reflecting both senses of community, the National Endowment for the Arts fosters the artistic creativity and diversity of our rich cultural heritage in our complex, geographically diverse, and multicultural society. The Arts Endowment seeks to ensure that Americans of all backgrounds not only have access to the arts, but also that they participate in the creation and production of art.

The nation's more than 30,000 amateur and professional non-profit arts organizations are rooted in their communities and in the diverse cultural traditions of the people they serve. Thus, federal investment in arts organizations not only preserves and augments community cultural resources, but it can foster a greater sense of community by engaging the public in and through the arts.

## THE CULTURAL DIVERSITY OF OUR COMMUNITIES

The people of the United States have collectively inherited at least 170 specific cultural legacies. From each of these backgrounds come art forms--traditional and contemporary--that are aesthetically distinctive. Each enriches America's culture. In this diverse and ever-changing society, the Arts Endowment pursues both components of its mission. On one hand, it addresses the need to preserve and nurture the core of America's living artistic heritage. On the other, it seeks to help Americans become more aware of, to better appreciate, and to participate more extensively in the wealth and variety of their arts.

The Arts Endowment's recognition of the importance of our multicultural heritage is broadly shared. As Congress stated in the Endowment's authorizing legislation, "The arts and humanities reflect the high place accorded by the American people to the nation's rich cultural heritage and to the fostering of mutual respect for the diverse beliefs and values of all persons and groups." Consequently, the legislation requires the Chairperson to "ensure that all panels are composed, to the extent practicable, of individuals reflecting a wide geographic, ethnic and minority representation as well as individuals reflecting diverse artistic and cultural points of view." The stated result supports our most fundamental beliefs: "It is vital to a democracy to honor and preserve its multicultural artistic heritage as well as support new ideas and therefore it is essential to provide financial assistance to its artists and the organizations that support their work."

Clearly, the Arts Endowment operates within a demographically changing society. The 1990 Census reported that during the last ten years our Asian-American population increased 95.2%, our Native-American population by 37.9 %, African-American by 13%, and persons of Hispanic origin by 54%. Within the next 50-year period, African-Americans, Asian-Americans, Latino-Americans, and Native Americans will comprise over half the population of some of the country's largest states, including California, Texas, New York, Florida, and Illinois, as well as of the District of Columbia.

For more than a generation, artists and arts organizations rooted in African-American, Latino-American, Asian-American, and Native American cultures have explored their heritage and perspective on the American experience. Over the past three decades, public support at all levels has been critical to the development of an institutional infrastructure of culturally diverse organizations.

In the last three decades, federal arts support has been invested in the arts of a broad range of ethnically, racially, and geographically diverse communities. The Arts Endowment's Expansion Arts Program, since 1972, and the Folk Arts Program, since 1978, have helped focus national attention on the importance of ethnically-specific arts and have been effective advocates for their fields, both inside and outside the agency. This investment has encouraged activities and organizations that connect peoples of many cultures and serve as a vehicle to celebrate our various cultural traditions.

More generally, the National Endowment for the Arts annually invests in approximately 400 professional arts organizations in inner-city communities serving artists and audiences of color and in rural regions. Many exceptional programs have flourished as a result of these federal investments.

For instance, the United Indians of All Tribes Foundation in Seattle operates arts, education, and social service programs to benefit Native Americans living in the Pacific Northwest. The Foundation's Daybreak Star Indian Cultural Center, a facility whose name and building design were derived from a Black Elk legend, and the Sacred Circle Gallery offer arts programming reflective of Native American cultural traditions. Exhibits of contemporary Native American art, the Center's permanent collection, and Native American dance performances showcase many aspects of Native American art. The Daybreak Star Indian Cultural Center and the Sacred Circle Gallery are the major centers for living Native American arts in the Pacific Northwest Indian community.

The Asian-American Festival Association both exposes the residents of Houston, Texas to many classical art forms of Asia and eases the transition of new Asian citizens into American society. The Association presents and supports work by the Korean Folk Dance Company, the Musantara Indonesian Dance Group, Sakura Japanese Dance Group, the Tahai Performing Arts Company, and others. Federal support for the work of the Asian-American Festival encouraged understanding and acceptance of rapid demographic changes by new and native citizens of Houston alike.

The Freedom Theatre of Philadelphia teaches theater to inner-city youth. Since 1972, the Theatre has provided rigorous instruction and creative, highly disciplined performance experiences to more than 10,000 students. Primarily black, but also ethnically-mixed students acquire personal discipline, new communication skills, and self-esteem, helping to dramatically lower the high school drop-out rate among participants. Of the 10,000 young people who have worked with the artists and teachers of The Freedom Theatre over the last two decades, approximately 98% have gone on to college, a remarkable, but in no way random, statistic for a community with an alarmingly high school drop-out rate.

The Guadalupe Cultural Arts Center, located in San Antonio's largest barrio, is one of the community's most stabilizing influences. With federal and local support, this community-based arts facility offers formal training in literature, visual arts, and the performing arts. The Center also presents annually a national Latino film festival, a festival of conjunto bands, and a series of poetry and fiction readings.

Twenty-five years ago there were no public folk cultural programs in the United States. In the mid-1960s, Pennsylvania established the first state folklorist position and the Smithsonian initiated the Festival of American Folklife. The Arts Endowment's Folk Arts Program, the Library of Congress' American Folklife Center, and the Smithsonian's Office of Folklife Programs were all created in the 1970s. The Arts Endowment's program provided seed

money and guidance to help create state folk cultural programs, typically through the state arts agencies. By the late 1980s, there were more than 40 state programs, spurring the growth of folk cultural programs at the regional and local levels as well.

Although long-term trend figures on public and private support for the folk arts do not exist, a recent study reported a total of \$15 million was spent by 50 state, local, national, and regional folk cultural programs in 1987. Furthermore, the range of revenue sources supporting folk arts activities has become more diverse. In 1980, public funds, both state and federal, underwrote folk culture programs in 14 states. By 1987, 31 state programs were being funded by a combination of federal, state, local, and private philanthropic money. Following the Arts Endowment's example, foundations have begun supporting folk arts projects. In the last year, the Lila Wallace-Reader's Digest Fund awarded \$4 million and the newly-founded Fund for Folk Culture awarded \$1 million to folk arts projects.

One of the folk arts organizations funded by the Arts Endowment is the Northeast Archives of Folklore and Oral History at the University of Maine in Orono. It collects and preserves materials on the folklore and oral history of Maine and the Maritimes, sharing this information through exhibitions and documentaries. In 1992, the Northeast Archives developed an exhibit on Maine women and the traditional textile arts which featured knitting, rug-making, quilting, crocheting, lace-making, tatting, embroidery, and netting.

The National Endowment for the Arts' commitment to making the arts more accessible extends to disabled, older, veteran, and institutionalized people who may not have "conventional" access to the arts. The Arts Endowment's Office of Special Constituencies advocates on their behalf to agency staff, panels, and grantees. It also administers a technical assistance program to assist grantees on compliance with federal regulations and laws relating to special constituencies and on how to make arts programs more accessible to these populations.

For example, Design for Aging was a collaboration with the American Institute of Architects to address the problems older persons experience with physical barriers in houses, public spaces, and institutions. Three products resulting from this collaboration were (1) Design for Aging: An Architect's Guide, widely distributed to architects, (2) "Housing for the Aging," an architects' symposium on housing issues, and (3) a national design competition for architecture students on housing. The Office of Special Constituencies has also worked on accessibility projects with national service organizations, such as the National Trust for Historic Preservation and the American Association of Museums, as well as with the arts organizations through the Museum and Local Arts Agencies Programs.

The Arts Endowment as a whole awarded \$24 million in FY91 to support arts activities by and for African-American, Asian-American, Latino-American, and Native American communities. This reflects an increase of \$7.5 million--from 11.2% of Arts Endowment grant-making funds to 15.2%--since FY86. Furthermore, ethnically-specific arts organizations are highly competitive applicants for Arts Endowment awards. Indeed, the success rate of

such organizations has been consistently higher than that of all applicants in the seven organizational categories tracked by the agency since FY87. In FY91, 82% of the minority-run organization applicants received grants, compared with 64% for all applicants in those categories.

The Arts Endowment seeks to ensure that all Americans not only have access to programs it supports, but also that they are included in originating and developing these programs and projects. Panels of private citizens from diverse geographic and cultural backgrounds, representing differing aesthetic viewpoints, advise the Endowment's individual programs and the agency as a whole. They review applications and identify issues, opportunities, and needs. Their deliberations help inform the policies and programs through which the Arts Endowment pursues its mission. In 1992, 34.5% of all Endowment panelists were persons of color as compared with 31% in 1990 and 24% in 1989.

## COMMUNITY PARTNERS IN THE ARTS

The Arts Endowment's priorities of advancing American artistry, enhancing public access, and fostering arts education are addressed through partnerships with state, regional, and local arts agencies, with private foundations, corporations and organizations, and with other federal agencies. Over the last 27 years, the Arts Endowment has made substantial investments in the development of state and local networks to strengthen and support the artistic and cultural life of communities. These partnerships have been essential for proceeding toward an equitable distribution of funding and fostering a climate for artistic expression that has no geographic, ethnic, or racial boundaries. Partnerships are important tools for getting the arts to the widest possible audiences nationwide. They also strengthen the Arts Endowment's ability to exercise national leadership by leveraging additional public support for the arts.

The Arts Endowment works with other federal partners, such as the President's Committee on the Arts and Humanities, to stimulate private sector interest in and support for the arts. Its participation in the President's Initiative on Rural Development has produced support for arts-based projects in five states, each endorsed by the state's Rural Development Council. The Arts Endowment has a number of collaborative projects with the Department of Education, the U.S. Information Agency, and is developing others with the Department of Labor.

Most state arts agencies were created in the late 1960s following the creation of the Arts Endowment and, in part, as a response to federal leadership and financial support. The National Endowment's example and encouragement of standards for long-range cultural planning has led to substantial increases in state commitments to the arts.

In an environment of rapid national demographic change and increasing international interaction, state arts agencies support artists, arts organizations, and audience participation in ways that draw upon and promote the nation's cultural diversity. To better integrate their needs into general programs and services, states have developed specific initiatives to provide more access to resources for artists and arts organizations grounded in the cultures of Asia and the Pacific, Africa, and the Americas.

As a result of Congressionally-mandated changes in 1990, the Arts Endowment allocation of funds directly to state arts agencies and regional arts organizations rose from 20% to 27.5% of its program funds by 1993. These increases have come at a time when a number of fiscally-pressed state governments have reduced appropriations to state arts agencies. Indeed, between 1990 and 1992, combined legislative appropriations to 50 state and six jurisdictional arts agencies fell 27%, down \$80 million from the 1990 combined appropriations of \$292 million. As a result, many artists and arts organizations experienced a cut in the public support they received from state agencies even as federal funds to state arts agencies increased.

The Arts Endowment also helped to decentralize public support for the arts through its support for the local arts agency movement. While there were fewer than a hundred local arts agencies when the Arts Endowment began, there are now about 3,800, of which 600 are professionally staffed. They oversee the long-term cultural development of their communities, acting as "Chambers of Commerce" for the arts. The Endowment's Local Arts Agencies Program has stimulated more than \$80 million in new public and private funds since its establishment in FY84. *[For statistics on local arts organizations in each state, see Part II: Illustrating the Investment in the Arts at Home.]*

In FY91, for example, the Rock Hills Arts Council in South Carolina was awarded \$150,000 to be matched with new local public funds to create an arts center for the city of Rock Hill. That same year, the Greater Knoxville Council for the Arts in Tennessee received \$25,000 to develop a community cultural plan for the greater metropolitan area.

The Arts Endowment has also leveraged local private support for the arts through projects such as the Community Foundation Initiative, which was started in FY85 to gain the involvement of the growing universe of community foundations. Since then, this initiative has helped provide \$10.6 million in Endowment funds for small and mid-sized arts organizations and artists in 27 communities, sufficient for it to have served its purpose so that it is being phased out.

**THE GLOBAL COMMUNITY.** From its inception, the Arts Endowment has had a Congressional mandate to foster the vitality of the arts not only at home but also internationally. In the last few years as momentous international changes have occurred, the importance of international cultural exchanges and partnerships have become clear both here

and abroad. This mandate was strengthened in the agency's 1990 reauthorization when the Chairperson, with the advice of the National Council on the Arts, was empowered to support "projects and productions which have substantial.....international artistic and cultural significance." The Endowment responded quickly, building on over a decade's experience in supporting special projects in international cultural exchanges. These efforts led to the establishment of a free-standing International Program beginning in FY93. As the Arts Endowment develops international exchange projects, it encourages residency programs, partnerships between U.S. arts organizations and their foreign counterparts, educational programs, and special initiatives to enable artists to draw inspiration from a bi-national experience.

The Arts Endowment's International Fellows category, launched in 1991, allows an American cultural institution to invite a foreign arts administrator to participate in a project that will benefit both the fellow's professional development and the programming of the host institution. For example, the Actors Theater of Louisville (ATL), Kentucky received \$7,500 to support an International Arts Fellowship for Arcady Tsimbler, Manager/Dramaturg of Studio Five of the Moscow Art Theater. Arts Endowment support will help the ATL company manager prepare for both the 1992 Humana Festival of New Plays and a tour of Australia. Mr. Tsimbler will receive one-on-one training in the administrative methods and policies of this American theater that will be useful to him as his Russian theater is privatized.

An important new partnership initiative between the Arts Endowment's International Program and Arts International is supported by The Pew Charitable Trusts and the Cricket Foundation. It supports U.S. artists by enhancing their professional and creative growth through short-term residencies in Latin America, the Caribbean, Africa, and South and South East Asia. The residencies encourage American artists of exceptional talent to explore important artistic developments in their fields, to deepen their understanding of contemporary or traditional art forms through work with master artists, to pursue artistic collaborations that will enrich their work, and to create new work drawing inspiration from international contact. Examples have involved a Tennessee storyteller working with griot masters in Senegal and the Gambia, a Maine steel drum maker and player working with one of Trinidad's foremost steel drum tuners and steel bands, and a Detroit fiber artist studying with a batik master from Nigeria.

In 1988, the Arts Endowment and the United States Information Agency created the Fund for U.S. Artists at International Festivals and Exhibitions with support from two private partners, the Rockefeller Foundation and The Pew Charitable Trusts. In 1991, this Fund made available more than \$1 million to support U.S. performing artists at international festivals and to ensure American representation at important contemporary art exhibitions around the world. For example, the Fairmont Theater of the Deaf received \$7,500 to present works simultaneously in English and American Sign Language at the First International Theatre Festival in Volgograd, Russia.

Another international initiative, with the Fondo Nacional para la Cultura y las Artes of the Mexican government, will support 10 residencies in Mexico for U.S. artists and 10 residencies for Mexican artists in U.S. communities yearly. This partnership will enable U.S. and Mexican artists to work in a concentrated way and interact with their peers from the other culture for up to two years by participating in community activities such as master classes, workshops, and public lectures.

In addition, the Arts Endowment is increasingly important as an information resource for international activities. The agency serves artists, arts organizations, and local communities by circulating information on opportunities for international exchange and by providing technical assistance to those who are new to this endeavor.

## ACCESS TO THE ARTS IN OUR COMMUNITIES

From its earliest years, the National Endowment for the Arts has supported programs that help integrate the arts into community life. These have included touring, exhibitions, broadcasting, publishing, public art, and other venues. National, regional, and local touring programs today bring dance to an audience of 16 million and generate income that remains essential to the support of dance companies. Touring is also crucial to many other performing arts organizations. During the 1991 season alone, regional arts service organizations helped more than 1,000 organizations present performing artists to more than four million Americans. Touring exhibitions and performances help amortize production costs among many sponsors and give audiences in many communities access to the very best art that America has to offer at an affordable price. Federal arts support for touring programs also builds ongoing partnerships among presenters.

Presenting organizations embrace the Arts Endowment's two-fold mission of promoting artistic excellence and expanding access to quality arts for all Americans. Presenting organizations are essential components in the national arts delivery system. They select artists of excellence and expand the community's appreciation for and participation in the arts. They provide performance space, fees, and resources for the performing arts and develop and stimulate audiences for diverse performing art forms. As a result, they contribute to the cultural and economic development of their communities. Based on statistics of those who applied to the Arts Endowment's Presenting and Commissioning Program in FY93, presenters served an audience of over eight million people and generated over \$150 million in revenues during the 1990-1991 season. In the same season, these organizations paid artist fees totalling \$57 million.

Investments in public television and public radio productions, in partnership with private sponsors and other public funding sources, also help disseminate the arts to a greatly expanded audience. Notable broadcasts range from the presentations of major cultural institutions, such as *Live from the Met* and *Live from Lincoln Center*, to folk culture and new art forms in *American Patchwork* and *Alive from Off-Center*. *American Masters* showcases national treasures while *Point Of View* and *Soundprint* expand the challenging art of the documentary. Still others, like *American Playhouse*, present drama by well-known artists and the country's newest theater talent. This investment has brought the arts to people nationwide. In 1991 alone, some 300 million Americans watched Arts Endowment-sponsored broadcasts; the investment for each viewer was just 1.5 cents. However, increased production costs now stretch available funding resources even for ongoing series, leaving little venture capital available for developing new series.

In literature, the Arts Endowment has invested in the dissemination of the work of writers through magazines, small presses, and distribution organizations, important cultural resources which might not exist without Arts Endowment support. For example, magazines, such as Black American Literature Forum, which publishes original works of fiction, poetry, and scholarly articles on black literature, make the best contemporary writing available to the public. Small presses publish literary work of national or regional importance, making it available to people throughout the country.

In the last decade, there has been significant growth in public awareness of design and its effect on American culture. The benefits of good design are more appreciated and the costs--economic, social, and aesthetic--of poor design are now better understood. One Arts Endowment project that cultivates design awareness is the Mayors' Institute on City Design. Local leaders are frequently responsible for the allocation of millions of dollars for the design and construction of public buildings, structures, and spaces which greatly influence the future vitality of a community. The program, begun in 1986, provides elected officials with an understanding of the basic principles of urban design, helping cities to solve their design problems. The Mayor's Institute on City Design now has four regional and two national meetings each year and has served over 170 cities since its inception.

The Design for Housing Forum, a comparable program, allows developers, designers, and community leaders involved in low-income housing development to assess and understand the impact of new construction projects and adaptive re-use of existing structures. Funds are also invested in rural communities to help citizens and elected officials address public design issues in their environment similar to those faced by larger cities.

In the late 1960s, partnership investments in public art were initiated as another way to make art available to wider audiences. The concept of public art as an integral part of a community's identity and development has gained broad acceptance over the last two decades as the role of local citizens in the selection of the projects has increased. Following the Endowment's leadership on public art, as well as that by the federal General Services Administration, more than 200 states and local governments now have legislated

percent-for-art programs which ensure that works of art are included in new public construction. Funds awarded through the Endowment's Visual Arts Program support the creation of community-initiated public art projects and encourage greater public discourse and understanding of contemporary art. Reflecting current concerns about the need to maintain and preserve our national collection of public sculpture, the National Institute for the Conservation of Cultural Property is conducting a massive inventory of all public sculpture called "Save Our Sculpture." Funded in part by the Arts Endowment, volunteers are being trained to locate and evaluate the condition of public sculpture in this country as a step toward ensuring its conservation for future generations.

Public art commissions are initiated by local communities. Although federal funds awarded through the National Endowment for the Arts for public art projects represent only a fraction of the total cost of a large scale new work, grant awards are often catalytic, bringing together the principal partners in a community project to work on behalf of the whole community. Since the inception of the Endowment's Art in Public Places grant category, 611 grants for public art projects have been awarded to 968 artists for a total of over \$12 million. In FY92, the 14 grants totalling \$225,000 were matched on a 13 to 1 basis.

The Arts Endowment's Research Division sponsors research projects which involve the collection, development, analysis, and dissemination of data on audiences, arts organizations, and artists. This information has been used by policymakers, grantmakers, and arts organizations around the country to inform their programs. Surveys of public participation in the arts, conducted in 1982, 1985, and 1992 by the Bureau of the Census on behalf of the Endowment, document the federal investment in the arts by changes in attendance at live performances, visits to arts museums, participation in the arts through media, and so on. In 1992, the project included similar surveys of twelve local communities.

***SERVING UNDER-SERVED COMMUNITIES.*** The National Endowment for the Arts has played a significant role in expanding opportunities for all Americans to experience the arts, whether they live in rural, inner-city, or suburban areas across the nation. Equally important are the agency's efforts to extend access to the arts to young and old and to those with disabilities. From the touring of performing arts and exhibitions, to the publishing of new literary works, from the broadcast of arts programs on public radio and television, to the sponsorship of arts education programs, the Arts Endowment strives to make the arts accessible to people of all ages and geographic regions.

Americans in rural areas have always produced, presented, engaged in, shared, and preserved art that enriches the communities that nourish them. Inner-city communities are often the locus of vibrant, diverse traditions and cultures. Yet both areas--rural and inner-city--may struggle with economic or geographic limitations, unable to fully realize their artistic aspirations or interests. The Under-served Communities Set-Aside Initiative, designed to foster greater access to the arts in rural, inner-city, and other under-served areas, was

established and funded through specific authority provided by the Arts, Humanities and Museums Amendments of 1990. The value of the public investment in the development of a federal/state/community cultural partnership was clearly demonstrated by the national response to better serve artistically under-served areas.

The Initiative offers grants to state arts agencies and regional arts organizations to assist artistically under-served communities in meeting their needs and achieving their goals. As stated in the 1990 reauthorization statute, the law directs the Arts Endowment "to establish and carry out a program of contracts with or grants to states for the purpose of (i) raising the artistic capabilities of developing arts organizations...[and] (ii) stimulating artistic activities and awareness and broadening public access to the arts in rural and inner city areas and other areas that are underserved artistically." As mandated by law, at least 50% of these funds support programs in rural areas.

Currently, under-served communities receive support through five of the Arts Endowment's programs. Funds are offered for organizational development, management training, salary assistance, artist apprenticeships, dance touring, and the delivery of arts services. During the first two years of this initiative--1991 and 1992--a total of 265 grants, amounting to over \$12 million, were awarded.

The Arts Projects in Under-served Communities category of the State and Regional Program is designed to improve the capabilities of developing arts organizations, stimulate artistic activity and awareness, and broaden public access to the arts. During the first two years of this initiative, 66 grants totalling \$5.4 million were awarded to state arts agencies and regional arts organizations. For Example, in FY91, the West Virginia Arts and Humanities Section was awarded \$100,000 for developing new arts programs to assist rural communities with cultural plans, offering program grants and management assistance to arts organizations, and providing artists with financial support for professional development.

The Local Arts Agencies Program focuses on local arts agency development, awarding grants that serve as a catalyst for cultivating professional leadership and organizational stabilization. In helping to develop the capabilities of local organizations, the Arts Endowment is investing in a local institutional infrastructure for the support, maintenance, and presentation of the arts in rural and other under-served communities. In the first two years of the Under-served Communities Set-Aside Initiative, the Locals Program awarded 62 grants amounting to \$3.6 million that reached over 2,000 communities.

The State Folk Arts Apprenticeships grant category helps mid-level traditional artists perfect their skills by study with traditional master artists. Over the last two years, 51 grants totalling \$1,075,700 were awarded through this program. For instance, the Mississippi Arts Commission received \$10,000 from the Arts Endowment's Folk Arts Program for a state folk arts apprenticeship program in which master artists will teach their apprentices white oak basketry, Choctaw cane basketry and regalia-making, string band music, and the blues. In

1991 and 1992, another 39 grants, amounting to \$867,200, were awarded to folk arts organizations to present and document the work of folk artists frequently located in rural communities.

The Rural Arts Initiative of the Expansion Arts Program seeks to identify, strengthen, and assist emerging rural arts organizations that have significant potential to improve the quality of their work and to reach wider audiences. During 1991 and 1992, grants were awarded to Alabama, Alaska, Arizona, Iowa, Louisiana, Maine, Montana, New Mexico, North Carolina, North Dakota, Pennsylvania, South Carolina, Texas, and Wisconsin, for a total of \$776,500. For example, in 1991, the Wisconsin Arts Board received \$40,000 from the Expansion Arts Program to support the artistic and administrative development of five exemplary rural arts organizations. One of them, the Greenwood Plays Children's Theater of Menomonie, will develop and tour a bilingual production based on the odyssey of a Hmong immigrant from Laos to Thailand to northwestern Wisconsin.

Dance On Tour, an Arts Endowment partnership program with state arts agencies, regional arts organizations, presenting organizations, and dance companies, brings dance to communities with limited access to that art form. The Under-served Communities Set-Aside Initiative helps facilitate dance tours to rural communities. In 1991 and 1992, grants were awarded to Kentucky, Maine, Mississippi, Nebraska, New Hampshire, New Mexico, North Carolina, Oregon, and Pennsylvania. The Kentucky Arts Council received \$27,500 from the Presenting and Commissioning Program to support a six-week tour by Utah's Ririe-Woodbury Dance Company to 13 communities across the state.

There are other ways the Arts Endowment reaches people with limited access to the arts. In 1991 and 1992, \$463,900 was awarded as 17 Special Projects grants to fund innovative projects through the set-aside initiative. One such project is the 504 Handbook, an access manual which helps arts service organizations and other grantees to bring their existing programs and activities into compliance with federal law by making the arts available to older persons and people with disabilities. Another project was a collaboration between the National Assembly of Local Arts Agencies and the Local Arts Agencies Program of the Arts Endowment to support regional rural conferences in Abilene, Kansas; Tucson, Arizona; and Chadron, Nebraska. These conferences, which drew over 300 participants, addressed rural arts issues and opportunities.

This complex of programs constitutes a federal/state/local partnership which serves as an arts delivery system that reaches into rural, inner-city, and other under-served areas. Working through a network of public arts agencies, the Under-served Communities Set-Aside initiative has made the arts more available and accessible to American citizens.

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Over the last 27 years, the federal government has invested in the cultural life of communities. Through partnerships, both public and private, the Arts Endowment has leveraged additional funds for the arts and helped to develop an arts delivery system that reaches rural areas as well as inner-city neighborhoods, metropolitan areas, and suburbs across the nation. By supporting the touring of exhibitions and performing artists, the broadcast of arts programming, and the distribution of new literature, the Arts Endowment brings the arts to millions of Americans. As a result of international cultural exchange projects, the Arts Endowment makes it possible for American artists to work in other countries and foreign artists to come to this country. In encouraging expanded access to the arts for people of all ages and geographic regions, the Arts Endowment also promotes mutual understanding of our diverse cultural traditions.

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Divider Title: **The Creative Arts Industry**

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V.

## THE CREATIVE ARTS INDUSTRY

The arts contribute immensely to the aesthetic, intellectual and emotional fulfillment of our citizens and communities. They also are an often overlooked factor in the economic growth and vitality of the nation. Understandably, some feel it is inappropriate to measure the value of our arts and cultural institutions with an economic yardstick. Certainly an economic perspective is not the only, or even the most important, measure. Nonetheless, the full economic measure of the arts is seldom recognized, resulting in a skewed picture of the full value of the arts to American society. People willingly invest their time, talent, physical and creative energy, and financial resources to produce the arts. Tangible and intangible resources are also invested in attending performances, exhibitions, art classes, and other activities. Thus, beyond their aesthetic and social worth, the processes of creating and consuming the arts have both direct and indirect economic value, benefitting individuals as well as communities.

Artistic products are created by individual artists, non-profit cultural organizations, and for-profit entertainment, copyright, and recreational firms. Economically, these producers compete with and reinforce one another. They may compete for talented artists, audience members, and financial resources. Conversely, they reinforce one another as they foster new talent, build markets, develop creative ideas, and generate cultural resources. Together, these producers constitute a complex creative arts industry--an interrelated and interactive system where artists, artwork, arts activities, ideas, and processes move across and within the non-profit/for-profit "borders."

Within the creative arts industry, the non-profit arts sector emphasizes artistic excellence and performs critical "research and development" functions for the industry as a whole. These "research and development" activities include creative innovation and experimentation as well as conservation and preservation efforts, and are insulated from the immediate concern for popular marketability that drives the commercial arts and entertainment sectors. The non-profit arts have also come increasingly to involve themselves in public education which, in the long term, will help foster an environment supportive of free expression and creativity, cultivate interested and discerning audiences, and train future generations of artists. An important component of the wealth of nations lies in the abilities and skills of its people--qualities that investments in arts education help cultivate.

Although definitions may vary, the creative arts industry clearly includes four forms of artistic activity: literary, media, performing, and visual arts. The conventional non-profit oriented definition of the arts encompasses such arts organizations as orchestras, opera, theater, and dance companies, and art museums as well as individual creative artists such as painters, sculptors, choreographers, poets, and writers of classic fiction. Aspects of media such as classical music radio stations and public television cultural productions are also included.

By law, the Arts Endowment supports artists of exceptional talent, non-profit organizations, and public agencies to undertake projects of artistic excellence. For-profit interests and activities are not eligible for federal funding. Through its grantmaking activities, the Arts Endowment helps preserve the artistic heritage of the past, maintain the resources and artistry of the present, and support the creation of new work of quality. In essence, a significant part of its funds support research and development in the various arts disciplines. During the 27 years of its existence, the Arts Endowment has been a critical impetus behind the development of an arts production and delivery system at the national, regional, state, and local levels, expanding the variety and opportunities to engage in the creation and consumption of quality art in all parts of the country.

A broader, more comprehensive definition of the creative arts industry would include motion pictures, television and radio production and programming, video and audio tape production, book and music publishing, architecture and design, photography, and crafts manufacturing. It might also include the design portions of the furniture, clothing, and jewelry businesses as well as related activities of other sectors such as arts education.

Both practical and conceptual reasons support the wisdom of utilizing this wider definition. For instance, the National Income and Product Accounts of the United States, published by the Department of Commerce, lists consumer spending for the performing arts, motion pictures, and spectator activities under the category of "recreation." In the important area of copyright protection, the performing arts are included in "intellectual property," as are book and music publishing, film and video production, and musical recordings. Other consumer spending in the arts is classified as "entertainment," which includes the motion picture and video areas, television and radio broadcasting, and products such as records, tapes, and

musical compositions. While none of these classifications adequately or fully captures the character of the arts, they nonetheless illustrate that, in practical economic terms, the arts are important components of the economy.

Skilled workers (artists) and ideas (or intellectual property) circulate among the non-profit arts, recreation, copyright, and entertainment sectors. Each of these industrial sectors address related markets or audiences. They often share concerns about specific policy issues, economic conditions, international developments, and other factors affecting the creative environment. Using the broad classifications of recreation, entertainment, and copyright from the National Income and Product Accounts of the United States points to a more comprehensive understanding of the creative arts industry, including a range of for-profit as well as non-profit organizations and activities.

The creative arts industry can be viewed as encompassing not only those activities that generate the fundamental "subject matter," or creative building blocks, but also those that distribute this creative output. For example, performing arts, musical composition, and the writing of books are activities somewhat akin to "basic research" in the natural and physical sciences. Artists engaged in these activities are expressing themselves and communicating ideas and emotions through their work. They strive to discover "artistic truths" just as scientists seek to uncover new "scientific truths."

Sometimes artistic work, produced in the non-profit sector, has wide popular appeal and is adapted for a larger audience by movie producers and directors, book publishers, video producers, recording companies, and commercial cable and television networks. Plays like *Driving Miss Daisy* and *Sarafina!*, which originated in the non-profit arts sector and with Endowment support, have gone on to become international hits. From this perspective, one can begin to see that the non-profit arts, which are often financially precarious, are essential to the prosperity of the commercial sectors of the creative arts industry. The arts also stimulate and contribute to the successful export of American creative products and services.

## THE CREATIVE ARTS: A MAJOR INDUSTRY

Whatever its definition, the creative arts industry, like other industries, has a measurable economic impact based primarily on a calculation of its direct spending. Three common measures of size include: (1) total output of goods and services, (2) consumer spending on admissions, and (3) artist employment.

**INDUSTRIAL OUTPUT.** There are output statistics for the literary, media, performing, and visual arts in the 1989 Gross National Product (GNP), the most recent year for which these statistics are available. For non-profit organizations, output refers to revenues, both earned and contributed; with for-profit firms, output refers to sales. The chart below lists the dollar value of each of the four and shows the total for the whole creative arts industry. At \$314.5 billion, the creative arts industry constitutes 6% of our GNP.

INDUSTRIAL OUTPUT IN 1989 (\$ billions)

|                 |          |
|-----------------|----------|
| Literary Arts   | \$ 145.6 |
| Media Arts      | 147.2    |
| Performing Arts | 14.3     |
| Visual Arts     | 7.4      |

**Creative Arts Industry      \$ 314.5**

Gross National Product      \$5234.0

**Creative Arts Industry as a Percentage of GNP = 6.0%**

Source: The American Arts Industry by Harry Hillman Chartrand

That amount is sizable compared to the industrial output for several other industries. For example, the output of the creative arts industry is greater than that of the construction industry (4.8%) and almost equal to that for wholesale trade, which is 6.9% of GNP. At 6%, the creative arts industry has one third the output of the sizable finance, insurance, and real estate industry's output, which stands at 17.2%.

**CONSUMER SPENDING ON THE CREATIVE ARTS.** The size of this industry is also measured by consumer spending on it, an indicator of the demand for the creative arts. Because economic data is not available for consumer spending on the creative arts industry as a whole, trends in consumer spending for the performing arts can only illustrate this aspect of the industry.

CONSUMER SPENDING AS A PERCENTAGE OF AFTER-TAX INCOME

| <u>Category</u>  | <u>1970</u> | <u>1975</u> | <u>1980</u> | <u>1985</u> | <u>1990</u> |
|------------------|-------------|-------------|-------------|-------------|-------------|
| Performing Arts  | 0.07%       | 0.07%       | 0.09%       | 0.09%       | 0.12%       |
| Motion Pictures  | 0.23        | 0.19        | 0.13        | 0.11        | 0.10        |
| Spectator Sports | 0.16        | 0.12        | 0.12        | 0.11        | 0.11        |

Source: Bureau of Economic Analysis

Thus, the table above shows, between 1970 and 1990, consumer spending for the performing arts increased steadily as a percentage of after-tax income. This is particularly noteworthy

given the facts that spending on motion pictures decreased significantly while spending on spectator sports decreased slightly during the same period. Indeed, in 1990, consumers spent more money attending the performing arts than on either motion pictures or spectator sports.

**ARTIST EMPLOYMENT.** A third perspective on the size of an industry is its workforce. The creative arts industry is typically included within the non-government service sector of the economy, since arts activities tend to represent services rather than tangible goods. The non-government service sector of the American economy has grown considerably, from 36% of total employment in 1950 to over 53% in 1990.

Employment in artist occupations also experienced a dramatic growth over the same time period. Employment in 11 artist occupations, as identified through data provided by the Bureau of the Census and the Bureau of Labor Statistics, increased by more than four-fold between 1950 and 1990, from less than 400,000 to 1.7 million. Thus, the number of artist workers grew at a faster rate than the total U.S. labor force, which increased only two-fold during the same period. These artist occupational categories include employment in both the non-profit and for-profit arts-related industries. The specific categories included are: actors and directors, announcers, architects, authors, dancers, designers, musicians/composers, painters/sculptors/craft artists/artist printmakers, photographers, teachers of art/drama/music in higher education, and artists "not elsewhere classified." While these figures include a portion of the workers in the entertainment industry, they don't count those who are employed by the copyright industry, i.e., workers employed in newspapers, periodicals, book publishing, book printing, music and miscellaneous publishing, greeting cards, radio and television broadcasting, motion picture production, theatrical productions including bands, orchestras, and entertainers, and the manufacture of records and tapes.

As the following chart shows, employment in the entire creative arts industry is estimated at 3.2 million, or 2.7% of all U.S. workers, when encompassing literary, media, performing, and visual arts. This includes both artists and some of the workers who develop and distribute artistic products.

EMPLOYMENT IN 1989 (in millions)

|                               |                   |
|-------------------------------|-------------------|
| Literary Arts                 | 1.5 (1.3%)        |
| Media Arts                    | 1.0 (0.8%)        |
| Performing Arts               | 0.5 (0.4%)        |
| Visual Arts                   | 0.2 (0.2%)        |
| <b>Creative Arts Industry</b> | <b>3.2 (2.7%)</b> |
| Total U.S. Workforce          | 119.0 (100%)      |

Source: The American Arts Industry by Harry Hillman Chartrand

The significance of these employment figures for the creative arts industry emerges when compared to those of other industries. For example, the agriculture industry employs 2.6% and the civilian defense industry 3.0% of the American workforce. In both, labor issues ranging from workplace conditions to retraining needs are of widely recognized importance to the nation. Foreign policy considerations aside, currently there is enormous concern over the labor and economic implications of reconverting defense industries to domestic production. Clearly, the creative arts industry, which employs nearly the same proportion of workers as agriculture and defense, merits similar public recognition and concern.

**ADDITIONAL PAYMENTS.** These figures are not the sole measure of the economic impact, or significance, of the creative arts industry. Another aspect of this industry, particularly in the R&D and excellence-oriented non-profit arts, is what is generally referred to as "additional payments."

Contributions of time, goods, and money from individuals, foundations, and businesses constitute additional payments. These additional payments illustrate that economic data solely on output, spending, and employment actually underestimate the economic dimensions of the arts.

Likewise, financial gifts and contributions indicate a demand for the creative arts industry that exceeds what is reflected simply in consumer spending on the arts. While some additional payments are measured as part of revenue data for the arts industry and reported in the U.S. Economic Census of Service Industries, other resources, such as "in-kind" donations of goods, constitute another largely unmeasured element because they are not consistently documented.

In addition, hidden subsidies are contributed by artists who often either accept a lower remuneration for their productions or work for wages below what would be considered appropriate for their level of education and training. As an in-kind contribution of labor and talent to the "arts production" process, these additional payments extend the supply-side dimensions of the creative arts industry.

The value of time donated by volunteers is also an additional payment for the creative arts industry, further expanding the size of its workforce. Approximately 390,000 full-time equivalent volunteers reported working in arts and cultural activities according to a 1988 survey conducted by the Independent Sector. This translates into more than 600 million volunteer hours which amounts to between \$2.5 and \$3 billion in donated labor to the creative arts industry.

Taken together, these common direct economic indicators--output, employment, consumer spending--and the additional payments begin to reveal the magnitude, significance, and complexity of the creative arts industry--an economic fact that often goes unrecognized.

## ECONOMIC IMPACT OF THE CREATIVE ARTS INDUSTRY

The economic significance of the creative arts industry, like any industry, can also be measured by considering the multiple effects of its primary spending. For the creative arts industry, economic impact studies first measure the magnitude of arts output, employment, and spending. Then they calculate the indirect impact of this spending, including such factors as money re-spent by those employed in the arts, by foreign tourist spending on cultural services, and the indirect effects of those dollars. The total figure describes the creative arts industry's primary spending plus a multiplier that estimates the magnitude of these indirect economic effects.

***DIRECT IMPACT.*** In 1987, the total primary spending of the creative arts industry nationally was \$3.4 billion. Calculating the indirect effects of that spending at a minimal multiplier of two, the economic impact of the creative arts industry can reasonably be estimated to be a total of \$6.8 billion.

Admittedly, such studies and estimates run the risk of misinterpretation. For instance, if the creative arts industry were suddenly to collapse, the American economy would not become \$6.8 billion smaller. Spending could be diverted to other products and workers might be trained to move into different occupations. Indeed, the creative arts industry, like other industries, is constantly adjusting to changes in consumer tastes. Also, production technologies, people's perception of the value of their time, and the degree of interdependence of the world's economies vary with time. Nonetheless, even with these caveats, the economic impact of the creative arts industry on our national economy as well as on community economies is impressive.

***OTHER BENEFITS BEYOND DIRECT ECONOMIC MEASURE.*** Focusing on the direct economic dimensions of spending, output, and employment only partially describes the full value of any industry. Even consideration of the total economic impact of the creative arts industry misses fundamental intrinsic benefits which are especially important in identifying the value of the arts to American society.

The arts greatly benefit communities by helping establish a stable primary base of activity in local economies. The arts have also been vital to the economic life and to the rejuvenation of inner-cities and central business districts. They can strengthen regional development and attract tourism. They enhance the quality of life in a community. Such benefits are not captured by standard economic measures but constitute important public dividends of the creative arts industry.

The creative arts industry has also been growing relative to the rest of the economy, making significant contributions through the export of services to the rest of the world. The copyright sector, which includes producers of motion pictures, recorded music, and publishing, is one of the largest and fastest growing sectors of our nation's economy. This sector makes a substantial contribution to the nation's GNP, generates high revenues from foreign sales, and employs a large workforce. The September 21, 1992 issue of Business Week reported that, from 1987 to 1990, the United States' film industry's real revenue from foreign movie theater rentals rose 57% from \$1.24 billion to \$1.94 billion. During that same period, overseas television revenues rose 92% from \$1.21 billion to \$2.33 billion, home-video rentals rose 95% from \$1.23 billion to \$2.39 billion, and foreign pay-television revenues more than tripled to \$320 million.

The arts improve human capital by training American workers at various stages of their educational life and career. One indication of this impact can be found in the 1992 Department of Labor's SCANS (Secretary's Commission on Achieving Necessary Skills) report, which examined the changes taking place in the world of work and the implications of those changes for education. The report defined what is needed for effective job performance. It identified a set of competencies and began to lay a foundation for the development of such skills and personal qualities in students who are tomorrow's workforce. This education blueprint recognized that the arts are useful in helping students develop the critical skills necessary to be creative and productive workers.

The arts not only help to develop skilled workers for businesses, but the corporate sector also benefits in other ways, leading them to support the creative arts industry. Studies on corporate arts donor attitudes reveal that they see support for the arts as a way to: contribute to society, increase public awareness and improve public perception of the company, stimulate employee morale, aid in staff relations, assist in staff recruitment, identify with a particular market segment, and assist in the long-term performance of the company. The fact that the arts are a target group for the "purchase" of these donor benefits indicates their perceived value.

Individuals, too, recognize the many secondary impacts of the arts. The arts connect the present to both the past and the future through the production, presentation, dissemination, and preservation of our cultural heritage. By working directly to preserve arts institutions, architecture, and other aspects of our cultural resources, we pass on a shared artistic legacy to our children and to future generations. In the present, the arts enhance the pleasures of living in a community with varied creative and recreational opportunities and an appreciative and engaged population.

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All segments of the creative arts industry—including the non-profit, amateur, commercial, and applied arts—work interrelatedly to produce, present, and promote American creativity. The traditional for-profit/non-profit distinction emphasizes differences between related industries rather than draws our attention to their commonalities and interrelationships. Beyond the humanistic and creative worth of the arts to society, the creative arts industry makes a significant contribution to the nation's economy in output, consumer spending, and employment. Furthermore, the real economic value of the creative arts industry goes well beyond a mere statistical description of its economic size, providing direct and indirect benefits to communities, corporations, and individuals.

Yet even a full appreciation of the economic dimensions of the creative arts industry is not a true measure of the importance of the arts to America and its citizens. The arts can serve as an anchor for neighborhoods, as a manifestation of community, and as part of the foundation for a renewed urban development agenda. The arts help nurture a talented and productive workforce as well as enhance the competitiveness of the United States internationally. They stimulate imagination and creativity in children and foster tolerance and understanding for the diverse cultures of this nation. They can inspire us to view the world from different perspectives or prompt us to confront new ideas. The arts exemplify both our differences and commonalities, our humanity and individualism. At once audacious and glorious, the arts embody the discipline required for excellence and the freedom inherent to creativity, imagination, and inquiry.

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## CONCLUSION

All great nations have supported the arts. For some people, the intrinsic value of the arts is self evident; for others, aesthetic impact may come as a revelation. For many, recognizing the varied dimensions of the value of the arts--to individuals, to communities, and to the nation--is an acquired awareness. They learn that arts give voice to our creative imaginations and provide individuals with a means of self-expression. The arts offer us an opportunity to communicate with people of other cultures and times and a capacity to view our world from new perspectives. They give substance to new ideas that fuel creativity and innovation. The arts are a vital expression of a people and their society. The arts shape and reflect our civilization as well as enhance our quality of life.

Because of the multi-faceted value of the arts--aesthetic, cultural, social, educational, and economic--many sectors of American society play a role in supporting the arts. Government can help to foster and sustain a climate that acknowledges freedom of thought, imagination, and inquiry. Along with its public and private partners, the federal government can help provide the financial resources and improve the material conditions that are necessary to sustain American artistry. Three decades of a productive public-private investment partnership for the arts has added significantly to our nation's artistic assets. Investments have been made for the creation of new art works--whether these are works of art in public places; new repertoire in dance, theater, music or opera; new works in literature, film, or the visual arts; or new design ideas. The Arts Endowment has invested in the careers and professional development of creative artists in every discipline, providing opportunities for them to create, collaborate, and imagine.

Through public and private investments in the folk arts or in ethnically-specific and multi-cultural projects, Americans have also discovered, or rediscovered, many of their diverse cultural traditions and legacies. As the nation enters a new century, preservation and interpretation of our cultural patrimony will play an even more significant role in promoting inter-

diverse populations.

In the coming years, the benefits of past and present federal investments in the arts will converge. Over the past three decades, federal funding has helped develop a cultural infrastructure that has yet to achieve its full potential. At present, gifted individual artists and dynamic arts organizations throughout the country are an under-developed, educational resource that can invigorate schools and touch individual lives. The Arts Endowment's record of support for artists, arts organizations, and audiences, constitutes an effective and meaningful investment of federal funds. In the future, the Endowment will continue to act as both steward and entrepreneur, working with its partners to further the public investment in the arts.

Collectively we, as a nation, have had the vision, the imagination, and the commitment to greatly enhance the vitality, diversity, and accessibility of the arts in America. Now we are challenged to think anew and act anew in realizing the value of the arts to American life, alongside other manifestations of creativity and enlightenment that define a great civilization.