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Provocations for the Future of Philanthropy

As part of a commitment to sharing ideas and developing research about arts philanthropy, *Give It Up For Margaret* hosted two discussion evenings in which 12 guests each night came together to talk, learn, share and debate. With the aim of enabling multi-dimensional perspectives, the guest list included people who give, receive, ask for, and make policy around arts philanthropy. The discussions were facilitated and followed Chatham House rules.

The evenings focused on generating ideas and sharing knowledge, rather than seeking consensus and agreeing on clear recommendations. Participants were encouraged to take a ‘vision’ versus ‘problem’ focus – to imagine a desired future rather than recite current challenges. Key questions were: What do we want from arts philanthropy? Not what is here, but what do we want?

**The Provocation**

Prior to the evening, the participants were given the following provocation:

Australia has a strong history of arts philanthropy, which has powerfully fuelled the ambitions of artists and arts professionals. Over the last decade there have been new developments in arts philanthropy, which are bringing exciting new opportunities but also exposing complexities.

Questions we have:

* What are the established models for arts philanthropy?
* What other models are emerging?
* What are the shifts and trends?
* What has worked/is working? What can we learn from this?
* What has been/is complex or difficult? What can we learn from this?
* What is the Australian context for arts philanthropy?
	+ What has historically got us to this point?
	+ What are the trends around private versus public money in the arts?
	+ What are the opportunities/challenges for both?
	+ What are the shifts and trends in contemporary arts philanthropy?
	+ What models seem outmoded?
	+ What seems innovative and/or future focused?

Research findings

**Summary**

The two discussions resulted in some clear research findings and many innovative ideas, which are collected together here. The research findings are gathered under two headings:

1. **Research findings around the current context and desired future for Australian arts philanthropy**.

This section gives insights into current shifts, opportunities and challenges while also focusing on the desired future for Australian arts philanthropy. A series of key findings are listed and summarised, followed by a collection of (unattributed) quotes that give insight into participants’ views.

Across the two evenings, certain observations were persistent. These key findings are:

* + The profile of the arts philanthropist has changed
	+ There has been a shift from arm’s length benevolence to engaged impact-driven philanthropy
	+ Arts philanthropy must not be reduced to ‘just money’
	+ A more sophisticated culture of giving and receiving is required in Australia
	+ Arts philanthropy is strongly connected to social equality
	+ New cultures and models of arts philanthropy are creating new pitfalls and challenges
	+ The government plays an important role in arts philanthropy
	+ People engaged with arts philanthropy have novel strategies for arts philanthropy, which could be productive to test
1. **Research findings around the history of philanthropy in Australia.**

This section acknowledges some of the historical forces and contexts that have created today’s environment for arts philanthropy. The section gathers participants’ observations pertaining to the nineteenth century; the twentieth century; and the current context in Australia.

1. Research findings around the current context and desired future of Australian arts philanthropy.

**The changing profile of the arts philanthropist**

**Key findings:**

Participants strongly agreed that the profile of the arts philanthropist has changed. Once principally understood as a wealthy senior figure or, alternatively, a deceased benefactor, the profile of the arts philanthropist has expanded over the past few decades. Now, diverse individuals and groups occupy the donor spectrum, with arts philanthropists coming in the full range of ages and gender as well as cultural and socio-economic backgrounds.

Furthermore, the arts philanthropist is no longer necessarily a high net worth individual. Those who have capacity to give significant amounts are still crucial to arts philanthropy; however, there are new breeds of philanthropist who give in different ways and amounts. Arts philanthropy is seen as something that most people could – and should – participate in, rather than something confined to the realm of the wealthy. There was much interest in how to encourage the middle tier of patronage, and also how to instill the idea in upcoming generations that giving is important. Social responsibility campaigns promoting the notion that most Australians should give a certain percentage of their annual income to philanthropy were looked on with interest.

The rise of crowd-funding was noteworthy to participants, fuelled by the emergence of new technologies and social medias. Participants agreed that crowd-funding was not suited to all initiatives or organisations; however, the question of how to mobilise the crowd drew attention, with participants ruminating on the type of project or campaign best suited to grassroots fundraising.

Those who do contribute significant philanthropic gifts are now encouraged to do it publically as a form of cultural leadership that could inspire others.

**Quotes from participants:**

* The image of the philanthropist is changing. It’s going from a slightly overweight businessman to men, women and children and the idea that you can give small amounts and still be a mini-philanthropist.
* In Melbourne there is still a sense that families such as the Myers and the Potters will do the heavy lifting of philanthropy. In Sydney, there seem to be more access points for the middle tier of patronage. How can this perception be shifted in Melbourne (and elsewhere)?
* In America there are many established junior ambassador programs that get younger generations involved and ingrain the notion that you don’t just start giving when you hit the golden years. This includes programs such as MoMA’s Junior Associates, which holds galas, weekends away and other social things. There is room to develop this in Australia.
* There is a growing focus on getting kids involved. It’s important to send the message to children that you don’t have to be wealthy – you can think of others and give something of yourself.
* The US style of philanthropy – the idea of giving to everything including the arts – allows smaller levels of giving and wider participation in philanthropy.
* There needs to be an attitudinal change around giving, which would encourage more people to identify themselves as philanthropists. We should encourage practices such as the idea that you donate 5% of your wealth to arts and culture.
* The 1% movement is interesting – that you give 1% of your household income every year. Those are important messages for people to understand.
* Social media is an interesting space. A lot of people gave small amounts – $50 or $500 – to the Obama campaign and he raised a huge amount of money. We need to empower people who do not usually feel empowered to give. You obviously still want the very rich to give because they can give substantial amounts but I think there are many people who would like to help but who think ‘what’s my $100 going to do?’
* We should never underestimate what the crowd can give. There is a multi-million dollar pool being built in New York that is being funded by people paying $50 to buy a tile. The pool water will also filter the river at the same time. We have to recognise what is best to crowd-fund – in architecture you could not crowd fund sewerage or social housing, for instance – so we still need institutions as mediators in some areas.
* The question of what you can mobilise the small donors for is really interesting. After it was shut down, the Climate Council managed to crowd-fund their operational budget in a matter of two weeks – it was extraordinary. That was related to social media. To harness those small givers you either have very direct project-by-project models or you have some new form of mediator – I’m not sure what bodies or agencies will fill that role. The Pozible model is an interesting mechanism but it’s only going to deliver certain types of things and sometimes it seems like the community talking to itself. So, what new form of mediator that can harness small donors is an interesting question for me.
* The NGV’s strategy of crowd-funding an acquisition from *Melbourne Now* was interesting. The gallery acquired the most popular artwork according to likes on Facebook. They went back to old traditions of philanthropy – public subscription – and reinstituted it using contemporary means of communication, technology and networks. The artwork might not have been the choice that the NGV would usually have made but that’s also interesting.
* There is a risk with populist funding such as crowd funding. It’s great for many things but those who are not good at articulating their story and don’t have access to good marketing people (to make videos and so on) are going to miss out in populist crowd funding.
* Leadership has become important in arts philanthropy. Simon Mordant has given two significant gifts to the MCA and he speaks candidly about them. Initially he wanted to make his gifts anonymous or at least discreet but then he decided in consultation with the director – so very carefully aligning with the director and the vision of the institution – that it would be better for philanthropy in Australia to be very public about his motivations in order to start a conversation in the public realm. That for me was quite a seismic shift in understanding that we need to be more public.
* The Wheeler Centre is another example of leadership. It is named after its philanthropists so everyone knows that this institution could not have happened without an incredible philanthropic gift that enables free and ongoing programming because there is an endowment that is greater than the core funding that a lot of arts organisations receive. The Wheelers put their name to it and that is such an act of leadership.

**The shift to from arm’s length benevolence to engaged, impact-driven philanthropy**

**Key findings:**

A very strong finding was that arts philanthropy has moved from principally being a model of arm’s length benevolence to a far more engaged and collaborative model. In the past, donors usually showed their support by writing a cheque to an (customarily large) institution. Now, many donors seek deeper engagement. As well as providing monetary support they want to be involved, perhaps by bringing their ideas, professional skillsets, personal connections, time or interests.

This shift was connected to the emergence of a far more ‘professionalised’ model of arts philanthropy, which places a premium on measuring impact. Different models for evaluating impact are being developed by donors, development managers and the arts sector, and there is ambition to continuously improve processes and outcomes.

The last few decades has also seen the rise of the professional development manager, which is changing how arts philanthropy is being practiced. Those larger organisations that can fund development managers will obviously have the edge over smaller organisations that cannot afford development staff. Arts managers in the small-to-medium sector – who are already overburdened – are increasingly required to include philanthropy in their skillset, with much pressure on them (particularly from government) to increase their organisation’s percentage of income from the private sector.

Some arts initiatives – for instance, community cultural development arts projects – score high on social impact and lend themselves easily to measuring impact; however, some participants wondered about the fate of arts projects that do not. Who will fund the risky, critical, niche and challenging new forms of practice that have been crucial to society but whose impact is notorious difficult to measure, especially in the short-term?

Models of engaged philanthropy were connected to the ‘entrepreneurial turn’ happening in society more generally, and they were seen as exciting drivers for testing new models and for harnessing the skills and energy of a greater range of people. Some entrepreneurial donors also have an increased appetite for risk, which can be an innovative force. However, engaged philanthropy is also accompanied by new challenges. As noted, under-resourced organisations will struggle to undertake the task of measuring impact and might lack competitiveness. Furthermore, increased involvement in an arts initiative from a philanthropist who lacks a sophisticated understanding of the arts ecology can create tensions. Such challenges are discussed in the philanthropic pitfalls and challenges section.

**Quotes:**

* In the last hundred years, the definition of the donor was that they were dead. Now, the definition of a donor is that they are alive – that’s a completely different relationship! When donors are living they want to bring their money, their engagement and their personal connections to the equation, which is really different to a trustee handing over money from someone who is deceased.
* Philanthropy has been professionalised – it is a profession. This has encouraged a shift from the idea of philanthropy as benevolence – i.e. that you should do it because it is good, because you should help somebody – to more of a focus on impact – i.e. what is the transformation as a result of the philanthropy. This is what we now call ‘engaged philanthropy’.
* The younger generation want to be involved and they want to see the impact of their giving. For them, philanthropy might be more about involvement rather than the giving. How do we engage and involve them?
* The traditional model was that you go about your professional life and accumulate wealth and then, later in life, you emerge as a philanthropist by thinking ‘right, I’m going to give back to the community – I’ll start writing some cheques’. That is not the profile now. Now, it is ‘ok I’m starting my career, I’m setting up my life, but I don’t want to wait – I want to get on with it, so I’m going to give to this project, and I’m going to set up an organisation, and I’ll join this collaborative project’. It all happens at once and there is a blend between a person’s professional life and philanthropy. It’s exciting because there new models.
* There is a shift to long-term strategic partnerships with the key word being ‘engagement’. Many philanthropists don’t just want to give the money; they want to know how they can involve themselves. In some ways it is a far more sophisticated version of older style patronage because they want to know about the process and how their resources are best used.
* There is a shift towards philanthropic organisations increasingly funding art that has social impact – rather than art for art’s sake. This could be detrimental to art that is unpopular, critical, difficult, or challenging. That type of art has had a very significant role in society for a very long time. Not every artwork is going to have a positive social benefit – that in itself might create social benefit but one that is not measurable. For the health of the artistic ecology risky art must be done – who funds the risky art and takes that chance?
* The American model for boards is becoming more prevalent here. The culture is changing – people are now invited onto boards with a ‘give, get, or get off’ idea.
* It is a challenge for smaller companies to meet those evaluation targets, which are required in impact-based philanthropy. It’s good to do evaluation and research, and the research coming out of America is that that is what is required. However the challenge is how small organisations resource that.
* Social impact funds invest in initiatives and only expect a limited financial return because of the social return that they get. Could there be a social impact fund to support artists, which has a share in their earnings when they became more successful?
* These days, there is an element of risk coming into arts philanthropy, which reflects broader society and the business world. Entrepreneurs and start-ups are exciting to some people, while other people want to be involved in tried and tested businesses. This is also a generational change – young people are being incredibly entrepreneurial and have found considerable success by taking risks, so they look to other areas where they can be entrepreneurial. That is a change from the previous decades when philanthropy was more institutional and conservative and largely meant supporting government-supported institutions such as the state galleries or ballet.
* The shift towards risk is also because of the change in donor profile. If you are giving money away on behalf of your dead father or you are a trustee for a dead colleague you have to be more risk adverse because it’s not your money. Now, there is a spectrum of donors: some want the exciting, risky, start-up projects and some want conservative investments with relatively clear outcomes.

**Philanthropy is not just money, and we need a more sophisticated culture of giving and receiving**

**Key findings:**

It was strongly agreed that a more sophisticated culture of giving and receiving is required in Australia. Participants on both sides of the giving and receiving equation felt that etiquettes around arts philanthropy are still being developed. Sometimes there is clumsiness around how to ask for or give arts philanthropy, and awkwardness can be further compounded by lack of clarity around expectations.

Participants sorely regretted that philanthropy has been reduced to money, an idea that people felt had been promoted by government. Many stressed that philanthropy is about relationships. Philanthropy is often a collaborative act, in which parties join forces to build something for society. To define it purely as a ‘cash transaction’ was to unfortunately reduce it. It also excluded the potential for people to let arts philanthropy manifest in non-monetary ways, perhaps through gifts of skills, space or connections.

**Quotes:**

* Both sides need to respect each other – sometimes that is missing.
* We need more education. By an order of magnitude, we need far more debate, education and discussion about why arts philanthropy and what it can do.
* At some point in our history we started reducing philanthropy to money. The government talks about it as if it’s just money, and artists and organisations have now been trained to think that too. The donors are saying ‘hey, no – we are individuals’ while the other two in the equation are saying ‘no, you are a walking cheque book’. That is now the prevalent view – we have reduced everything to money.
* Philanthropy is about ‘good for humanity’ – it’s not solely about cash. We have to think about how to engage people that are giving.
* The government bought the building for the NGV but the people filled the collection. People always think of philanthropy as money – but many Australian collections are formed through philanthropy or public subscription.
* It would be good to narrow the distance between the giver and the receiver. If that distance were narrowed, you would see the joy and happiness but you also see the exchange as a form of mutual benefit as well.
* Some of the donors want to meet real artists. It’s like they think artists are a unique breed of human and they value access to them in their lives. In their executive suites they don’t get to meet creative-thinking people. The museum becomes a conduit for delivering this.
* From the philanthropist’s perspective, it’s a matter of giving something to someone and feeling something as a result of that giving.

**Arts philanthropy is strongly connected to social equality**

**Key findings:**

Philanthropy was very strongly connected to principles of social equality with participants keenly focused on how to make Australian society more equitable. Furthermore, participating in art (whether as maker or audience member) was regarded as an important expression of being human. Philanthropy should therefore concern itself with enabling access to the arts.

Philanthropic support was also seen as a crucial form of advocacy for art and artists. In Australia, art and artists were sometimes felt to occupy low status or to – increasingly – be on the receiving end of punitive government or media scrutiny. Philanthropists could provide important advocacy to support artists and principles of freedom of expression.

* Philanthropy is connected to social equality. As well as the professional arts sector, the everyday person should be able to participate in the arts as part of being a human being. Art should be an integral part of communities – whether urban or rural – and it must represent the diversity of communities. Philanthropy must play a role in enabling this.
* Art can have extraordinary transformational impact. The idea of equality is crucial: there should be equal distribution of wealth amongst art forms not just artists, and we need to challenge existing binaries – such as collector and the collected, giving and receiving – as this would also assist in dissolving divisions of class and so forth.
* Philanthropy can have a role in enabling more opportunities and security for artists. This can enable respect for art as a career choice and enable young people to pursue their talents because they feel valued by society, which also increases artistic freedom.
* Philanthropic support for institutions can also be a strong form of advocacy to governments or councils who are wavering in their support.
* Arts philanthropy should link into larger political issues. For instance, affordable housing is a big issue for emerging artists. Affordable housing could immediately ameliorate the pressures on making a living or being able to make art.
* The arts should be central to society – not peripheral. Discussion about art – just like footy – should be at the dinner table, the supermarket, in the tabloids! That way, children, rather than desiring to be a footy player, might decide to be an artist and their parents could say ‘that’s fantastic’ because it is has status, and not just status connected to celebrity like wanting to be on *The Voice*. It should be OK to decide to be an artist working with a more niche audience.
* People have to be able to afford arts experiences, and I think fewer people can afford it. People are getting poorer while the 1% is getting richer and richer. People have a whole list of priorities before the art experience. Going to see art can be an indulgence.
* *Melbourne Now* was extraordinary. People went back 2 or 3 times – there was an educational and personal journey aspect to that exhibition for people. It was important that it was free. 400 people from all walks of life turned up for the free drawing class alone!
* I take issue with the idea that art is a privilege and a luxury and that it is about wealth and indulgence. Everyone is creative and so many people practice art in their lives in different ways. Art forms part of daily life, which is not necessarily the same as going into a museum and seeing something that you are told is culturally important and worthy of reverence.
* *White Night* is an interesting case study. There was a massive attendance at the NGV including people that had never been there before. *White Night* was more like a social thing – ‘what are you doing Saturday night?’ The question is: How much are people going to look at the art and how much are they going to be part of the experience? And, is one is better than the other?

**Philanthropic challenges and pitfalls**

**Key findings:**

Participants felt that arts philanthropy was overwhelmingly a positive force in society. Nevertheless, there are challenges and tensions and these are multiplying as new models emerge. With governments placing increasing pressure on organisations and artists to increase their income from private giving, artists and arts professionals are feeling tensions in arts philanthropy more acutely. Furthermore, new models are creating new conundrums – as parties test new frameworks, tensions or confusion sometimes prevail. For their part, philanthropists are sometimes mystified at the double-ups in the sector or the difficulties around giving.

A number of participants lamented the current fixation on growth as the only measure of success (i.e. constant demand for more money, more audience members, more Facebook likes, etc). Some argued that ‘scaling deep’ should also be an important concept in the arts or, alternatively, that the arts has an opportunity to provide a point of difference to the rampant consumerism occurring globally – maybe rather than grow philanthropy we could work with existing resources more effectively and equitably across the sector. Elsewhere, some philanthropic gifts were looked upon with great skepticism, perhaps seen as dishonest examples of ‘green-washing’ or improper attempts by an individual to socially engineer an outcome or position themselves as tastemakers.

As the quotes here attest, different problems accompany different scenarios. There was strong agreement that there is no right way to do philanthropy and that all parties must be empowered and have freedom around how to engage.

**Quotes:**

* There is a need to balance the interests of institutions as well as individual artists and collectives. The big money tends to go to the bigger institutions and the risk is that this creates homogeneity across the sector. Philanthropy can be conservative rather than encouraging difference.
* As an artist, patronage and collecting is great but also challenging. Sometimes your personal relationships can have a certain flavor because you are receiving money. When it feels like the social interaction is being capitalised on it can be fatiguing.
* Philanthropy can be framed as simply giving. The Felton Bequest went into the common ‘money bank’ – it created common cultural wealth. Arts philanthropy does not have to be about intense relationship management.
* Philanthropy is hard work. There is an old saying that when fundraisers die you don’t close their eyes, you stop their mouths from smiling. People don’t just give: in your own life when did you ever give anything significant to anybody that you didn’t know? Philanthropy is about courting, courting, courting…
* Philanthropy can feel non-transparent. You often need a personal connection to make that first step and there is often not a lot of transparency around private ancillary funds and where the philanthropists are and how you get to them.
* I’m not sure it’s often recognised how hard it is to give. Under our laws you must have DGR status (assuming you want tax deductibility, which most philanthropists do) but that is very limited. Furthermore, direct funding to artists is difficult – it usually has to be administered by an organisation, which is another hurdle.
* Philanthropic fatigue also happens in the new context of crowd-funding. We get bombarded with requests and start to experience ‘friend fatigue’. I have started to tier who I will support, which feels bizarre because they are supposed to be your friends.
* In the performing arts, it’s usual to give freebies to the opening night but in America everyone pays – in fact, the more you give the more you pay. Americans have a different mindset: you can afford it, so why should you get free tickets? In Australia there is an expectation that because they gave us money we are going to give them free drinks, free performances, etc. We should stop this practice – perhaps you could give them better seats but don’t give them freebies!
* With the shift towards increased philanthropy, there needs to be clarity around the new rules of etiquette, particular in relation to competition with other institutions. It’s not clear when it is OK to approach another institution’s donor or what that means in terms of sharing across the sector. In some ways we are all complementary businesses trying to build a thriving arts sector – one that supports my business and supports your business – but we are also in competition with each other and the etiquette around managing that competition is unclear with regards to philanthropy.
* Not many philanthropists will fund core costs on an ongoing basis. They will still not pay for the ‘non sexy funding’ – they are more interested in capacity building, which is challenging for organisations struggling to meet core costs.
* Philanthropists are often interested in collaboration across markets – they like the idea of more bang for their buck. Philanthropists often see six proposals for the same idea and they think ‘why can’t the sector get together and talk about it amongst themselves? Just put together a collective proposal and come back to us!’ Perhaps there could be cooperative research groups where similarly inclined organisations could work together and pitch to philanthropists around a shared concern, whether Indigenous, regional, etc.
* Donors can direct the creative initiatives of an organisation through the conditions they place on their gifts. You have to be able to challenge the donor and say ‘you are in a position of power because you have wealth. I’m an administrator and an employee and I have very little power, but here are the issues. If we are going to make that idea work, we need to consider these challenges’. That can be quite confronting but if you don’t do that as an arts leader you can end up delivering problem projects.
* In the past the big American philanthropists were sometimes criticised for what they funded – it was seen as a kind of social engineering. The same thing is starting to happen now in Australia – many philanthropists are funding projects that specifically align with their interests and needs. Sometimes they might be quite conservative projects. They might be, for instance, manipulating the education system or positioning themselves as tastemakers in art. We need to question the power of big philanthropy to socially engineer society.
* Is James Packer Australia’s greatest arts philanthropist because of his gift of $60 million to the arts in western Sydney? When he was awarded the Barangaroo casino license one assumes that the NSW State Government said we ‘will give it to you but we want something in return for the community’.
* I think James Packer’s gift is absolutely disgraceful. What is the benefit to the community in return for the impact of a casino? It makes me feel absolutely sickened. I am ashamed that that happened in Australia. It has not been celebrated as a great act of philanthropy. It was a green-wash.
* Many new donors typically think ‘I have money and professional skills, so I can help this poor little not-for-profit makes themselves sustainable’, whereas a very sophisticated donor would typically come in and say ‘what are your biggest needs, where are the biggest problems, where is the biggest impact’. There would be a much more engaged partnership approach. You need an all-of-company approach that enables full confidence for any new donor coming into an organisation that the company knows how to run its business – for both the donor and the arts professional’s sake.
* Sometimes the new donors who know nothing come in with a bunch of questions, however those donors that have been active for long periods of time may have a little bit of knowledge and that is sometimes more dangerous.
* There could be better use of resources across the sector. The big organisations suck a lot of cash while the little organisations struggle – little organisations spend 70% of their time trying to raise $5K or $10K, which is a drop in the ocean compared to the big boys next door who are achieving $10-million. So you have very unequal allocation of resources for the same outcome. However the big organisations will not share – they say ‘no way, we want our $10 million!’ But a tiny amount of that coming back to a small organisation would create a big impact and a better outcome. A percentage of that $10-million could be allocated to a smaller organisation or there could be a commitment to sharing resources, as part of an acknowledgement that big institutions are well placed to attract philanthropy.
* Maybe costs could be reduced in the arts sector or there could be a more equitable way to distribute existing funds and resources – rather than exponentially rise we could use existing resources more effectively. I know I sound a bit Arte Povera. It’s the opposite of arts philanthropy – it’s spending less!
* There is a real obsession with expansion, growth and scale. The idea of growth should not necessarily mean being bigger and better, and continuous growth is not the only model. ‘Scaling deep’ is an interesting concept. So rather than try to scale up – to be the centerpiece at Venice or have a major show at MoMA – you aspire to being very contained in one context, whether in your media, a physical location or a community, and you do that intensely, as richly and as deeply as you can.
* There is no right or wrong way to do philanthropy. It is often a very personal or context-driven decision – what might work for someone might be entirely wrong for another. There must be different models as opposed to us making decisions. And, as an artist, you must be able to say I do not want to engage with that. As we have seen in Australia that can cause a furore.

**The role of government in private giving**

**Key findings:**

Participants were adamant that government must fund the arts. Arts philanthropy was seen as an augmentation – not replacement – of government funding. The reduction in government funding for the arts was strongly criticised – participants were stridently against a diminishing role for governments in arts funding. Participants also argued for stronger integration between government, philanthropy and the artist, and greater recognition of the vibrant role of art in the community.

Governments were also seen to have influence through their role in setting policies and incentives. Participants agreed that philanthropy can be strongly encouraged or discouraged by different contexts and levers and there is potential for innovative new models and policies.

Many commented on the rich history in Australia of artistic outcomes that have resulted from public/private partnerships. The co-mingling of philanthropy and government money was seen as a particularly Australian scenario, which was markedly different to other countries. The history of this is explored in the section exploring the history of philanthropy.

**Quotes:**

* Government must fund the arts. Government must show leadership by investing in the arts, which will in turn inspire individual giving from Australians.
* Government must better fund the Australia Council for the Arts as it is a crucial part of the ecology. It is important to properly support the Australia Council as a national flagship organisation for funding the arts.
* There are some unfortunate funding scenarios. Some companies get revenue from a state government and then it goes straight out the door again to another government entity, often in the form of rent such as to the (now refurbished) Arts Centre. That scenario has forced the closure of some companies. What can be done to offset such situations?
* How can we transform? What I see happening in the global landscape is quite depressing. In America it is really dire – orchestras and arts companies are facing significant cuts. For instance, the New York Metropolitan Opera – one of the world’s great opera companies with a long history and a very powerful board – has been hemorrhaging money for years. It is something like $300-million in debt. In England, there have been enormous cuts in Arts Council funding so companies are closing or slowly bleeding. In Melbourne there are similar crises, with some companies just lurking from crisis to crisis. It’s bleak – funding is very very challenged.
* Initiatives in which governments match donations from private givers (up to a certain amount) are powerful drivers for philanthropy.
* Tax incentives are also crucial drivers for philanthropy, and they also promote the message that the arts are central to the health of our community and that any giving – from small to large amounts – is important.
* Volunteerism is an enormous strength to arts organisations. If people who give their time and effort by volunteering in the arts could claim that contribution as a tax deductible gift in kind, that would be an absolutely seismic change in the way that politicians and our community view the arts.
* The combined impact of some initiatives could support the creation of a national endowment for the arts, which could then be applied to any group or individual around Australia.
* How about use the National Disability Insurance Scheme (NDIS) as a precedent? Instead of the government funding the service providers the money is given out in a different way. It’s a whole new model. If the NDIS works, in five year’s time it will not need philanthropy. Could that work for the arts?
* Some new philanthropists may have no background in the arts but they have a deep commitment to their community and want to see its advancement. However local governments sometimes resist these community-based philanthropists and we can lose them. This is because governments have a customer-based attitude: they have a perception that you don’t partner with the intellectual and social capital that surrounds you, you deliver to them – they are customers. Rather than recognise that these philanthropists come to the door with great experience, knowledge, wealth and resources with which we could create something incredible together, the attitude is ‘what can I do for you?’ The monetary transaction happens and then it’s ‘see you later’. That is a real problem.
* Government money is often focused on outputs – not outcomes. They are very different! The research suggests that philanthropic organisations look at the social impact, arts organisations look at the artistic impact, while the government is searching for measurable outputs, which is difficult because many of these things are not measurable. There can be a tension between the social impact, the artistic impact, and the hard bottom-line stuff.

**Other ideas and recommendations**

**Key findings:**

Over the evenings, participants offered up different and sometimes very creative ideas. Not all achieved broad support from the room, but people were generously disposed to lateral thinking. On both evenings there was an inspiring commitment to imagining new possibilities and to considering novel ideas. This was underscored by recognition that our contemporary context, which is characterised by increased turbulence across society and the disruption of many existing structures, demands innovative thinking. The quotes here demonstrate ideas put forward by different participants.

**Quotes:**

* In-depth stories about the arts are getting stripped out of the media in favour of entertainment stories. If you really want to change hearts and minds, buy a media organisation! Perhaps the industry should fund half a dozen journalists (who are all becoming unemployed) across key publications.
* What if the ticket you bought for a major institution also got you entrance to a small event that’s happening in the suburbs that only attracts a small audience? The small-to-medium ecology is crucial as a pipeline for the majors, so you could make that connection for the public while profiling a smaller organisation.
* In Australia we usually just see a program with donors. In the States, when you go to a big event that costs $150, the ticket will state ‘$70 of your ticket goes to pay this, $20 for this’ and so forth. It’s educating the public and communicating the message that people are supporting something when they buy a ticket.
* For the person on the street, contemporary art is Instagram – it’s a photograph of a sunrise or their dinner or whatever. Is there some way we can work with those emerging activities and technologies? Is there some way to tap into them as a new arts funding area?
* We should fund more of these types of discussions that are about thought-leadership and creative thinking to help add value.
* Another form of philanthropy could be enabling people to swap resources such as spare space for a studio or materials. Space would be a big one. Next Wave Festival did an interesting request for support in which you could give money or services – you could give different amounts of time, money or skills.
* Many companies are trying to get children to participate – the concept being that they will grow up to be arts lovers – and perhaps patrons. Sport has been doing that for years. You play tennis as a kid – you go and see tennis as an adult.
* The arts – particularly in comparison to sports – are not that well organised. There are often no peak bodies to advocate for why art is important in someone’s life. We need public advocacy, lobbyists, profile raisers. We need a body that spans all arts forms, that has a broad focus, and which spans all tiers of the industry.
* Primary and secondary education is so important, but arts education is not happening in those sectors. We need education to develop a pipeline of people who love and embrace art. As a society, how can we encourage people to see art as important? Then, even if they don’t practice themselves, they will feel that giving to the arts is important.
* The arts industry largely has a male leadership model – where do women fit into this? Government drove affirmative action but that did not really affect the arts. The statistics are terrible – the imbalance is alarming. In terms of the diversity of ideas that is needed to build a new world we are drawing from a very narrow pool.
* Things are changing: You can pay $250 to go to the Australian Opera or you can pay $25 at the NOVA and go and see the digital recording of New York’s Metropolitan Opera. Technology is disrupting and changing what is available. Major companies like England’s Royal Shakespeare Company are digitising their performances so people across the globe can see them. What does that do to local audience participation rates?
* The whole nature of what people are interested in has changed, and institutions need to understand that. Perhaps we need to let change happen – people need to be able to engage in new artforms and new forms of institutions.
* The Myer Fellowships, which gave $80K with no clear outcome expected, are a fantastic new shift – there is no guaranteed outcome or agenda but a belief in the artist. They have funded an amazing diversity of fellows. This initiative came out of discussions with artists and arts professionals. They asked ‘what do you think is really needed?’ and that was the overarching finding.
* New Zealand’s The Arts Foundation is an interesting example. It’s an entirely privately-funded body – a mixture of corporate sponsors and private money and an endowment-based structure – and they give different levels of gifts to artists at different stages in their career. The boards are mostly made up of artists who nominate the artists who achieve these awards. They give out a substantial amount each year to five mid career and five late career artists in recognition that they need money to continue their practice. The only condition is that recipients continue to work inside their usual communities. There is no application or acquittal process, and the committees that select the artists are changed frequently to avoid it becoming cliquey. I think that is an interesting model.

2. Research findings around the history of philanthropy in Australia and how it has shaped our current context.

The focus of each discussion was largely on exploring a ‘desired future’ for arts philanthropy. However time was also allocated to considering the history of Australian arts philanthropy. Participants were asked: What specific aspects of our history have shaped how we do arts philanthropy today? This was with the understanding that if we have a sense of how we got to our current context, we might be better able to think through options for the future.

This section considers some of the historical factors nominated by participants that have influenced the Australian tradition of arts philanthropy. It is split into three sections: the nineteenth-century; the twentieth-century; and the current context.

**The nineteenth century**

* In Australia during the nineteenth century there were great philanthropists (such as Francis Ormond) who were instilled with the need to do something to create a worthwhile culture. These benefactors, having made an incredibly good life in this country, decided that they needed to do something for the benefit of all people.
* There was the idea of ‘the social good’ in Australia, which led to gifts such as the Felton Bequest that emphasised the role that art could play in a healthy and wealthy society. We should remember that during the Gold Rush Melbourne was a boom-time city – ‘Marvelous Melbourne’ was one of the most important cities in the world. Importance was placed on the role of individuals in society, especially those who had done very well out of the wealth of a new country.
* Philanthropy was a way for the colony to build itself. For instance, the University of Melbourne was the beneficiary of much philanthropy. Pastoralists gave significant sums that were endowed and are still valuable today. Some of the chairs created pre-Federation still exist today.
* Large-scale bequests are utterly transformative for a country. Examples such as the Felton Bequest, in which Alfred Felton gifted the equivalent of around $40-million to the NGV in 1904, enable stronger institutions that enable art to be accessible to different people.
* Historically, there was a sense of obligation or social cache around supporting the arts – if you were a leading family or successful business it was expected that you would. For lots of different reasons, we no longer have an expectation in Australia that if you have done well with material wealth you would express that in some way through funding the arts or some kind of philanthropy. We need to grow the expectation that with great wealth comes responsibility and that there is a social expectation around that.
* The charitable trusts set up pre-Federation certainly encouraged philanthropy in Victoria. The early settlers would go back to the old country but could not take their money with them, so they started to set up foundations as a way to manage their funds and estates to enable a better tax situation. That’s why there are so many charitable trusts in Victoria.

**The twentieth century**

* In the early 1900s, the labor movement ultimately persuaded government to provide social services support. That didn’t happen in America, so wealthy individuals had to support poor people; however, in Australia the government moved into that area, creating a very different political environment to the States.
* The end of death duties in Australia caused a change. In America and other countries, people avoid death duties by giving money away. Inheritance tax and death duties used to be collected but those laws were repealed in 1978, which impacted Australian giving.
* Certain sectors are very strong in faith-based giving. The Jewish community in Melbourne has been phenomenally supportive. Certain communities are brought up to believe that 10% of your income gets put aside for philanthropy, but that outlook has not penetrated other parts of the community.
* The café that Georges and Mirka Mora ran is an interesting precedent. They fed artists but also introduced them to people who were potential supporters. By encouraging people to congregate they also fostered dialogue about art.
* Scale is interesting to think about in relation to philanthropy. The old eighteenth-century patrons often chose their beneficiaries with the idea that an artist’s great success would reflect back upon the patron though them having spotted the artist. That kind of symbiotic relationship is much stronger than general philanthropy, which in many cases is anonymous and smaller scale. Times have changed now, however we do have a history of patronage (the Reeds and Heide, for instance) and you do sometimes see individuals supporting particular artists in the current context.
* In the 1990s, the focus was on corporate sponsorship. Institutions like the Australian Ballet identified that philanthropy would be the growth driver for the future and became serious about seeking philanthropic funding. However, rather than emphasising corporate support, the focus has now shifted to other areas.

**Current context**

* The history of philanthropy in Australia is a co-mingling of public and private money. The relationship between government and philanthropy is a very Australian aspect – it’s very different in America. Perhaps we undervalue the tradition of philanthropy in Australia?
* During the nineteenth century, there were leading philanthropists who were committed to undertaking initiatives for community benefit. That is where we have come from – and where we are today is almost the complete opposite of that. A series of governments driven by bottom-line economics have ignored the value of the individual and the community, and they have also undermined the value of the arts right across our community from the individual performer right up to the bigger institutions. The landscape has been turned on its head. Now, philanthropists need to get out and be proud and actually counter the devastation that has been caused by the political ideology on both sides of the divide.
* There is a generational shift underway. Thirty years ago the cultural community grew up with an expectation that funding largely came from the government sector. That has shifted but the cultural community has not kept up with that shift. The problem is that philanthropy is still in its immaturity in terms of supporting art. This is unlike the American or European system where it is part of civic society – i.e. the community stands up for the arts and commits to it. Australia has not yet got that commitment to the arts community, or to civic life and identity, and that to me is to some extent a result of government being the major funder across the ‘70s, ‘80s, and ‘90s. The large organisations are used to thinking ‘well, we get 90% of our money from government’ so a big multi-million dollar institution might only invest a half day position for philanthropy. They have not had to be serious about it.
* In Australia the arts have mostly been government-funded – 80% or even 90% for a very long time – so philanthropy is small compared to other nations. This is changing: there is a rapid growth in private support for the arts and a diminishing role for government, but the sector is still very very much government funded.
* There is a popular mythology that Australia is not a really high giving country, but that is not necessarily true. Per capita we give quite a lot and there is a history of it – even if it’s not something that Australians are recognised for. Some philanthropists have been very discreet – like Alfred Felton and Margaret Lawrence – so often you don’t know that there is a rich history of people who have done great philanthropy.
* In Australia the wealthy do not give as much but the less wealthy do give. One of the factors working against giving has been the Australian dislike of ‘tall poppies’. There is a whole history of giving anonymously, particularly so amongst women – they do not want to differentiate themselves from their friends who might not be as wealthy as they are.
* In America there are signs everywhere stating ‘this was donated by this person, that by that person’. I found the modesty in Australia very refreshing – a generous donation may have been made but the person did not demand to be credited.
* There can be reticence about wealth in Australia – we don’t like to talk about class. We like to think of ourselves as an egalitarian society. In America, they are more upfront about wealth and so they can be more upfront about the role of wealth and giving in a social hierarchy.
* In today’s context, we have moved from being citizens to customers – and what do you do with customers? You manage down their expectations – that’s how business works.
* We have ceased to be a single trajectory in history – we are now multi-cultural, with no single definition of culture. That can be a great strength.
* Currently, there is a maelstrom of media and politics and entertainment and disruption.
* Without a doubt, one of the biggest contemporary hurdles is how art has been reduced to entertainment. We have shifted away from arts and culture – and notions about depth of appreciation – to entertainment.