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Rethinking the Humanities Endowment

By STANLEY N. KATZ

Let's be clear. The National Endowment for the Humanities is about money. The social critic Dwight Macdonald once quipped that a philanthropic foundation was a large pile of money surrounded by sucking noises. That is also a perfect description of the endowment. For almost two decades, we who have worked for federal support for the humanities have been caught up in debates about what the endowment should finance (research, state programs, fellowships, regional centers, the documentary-editing projects just slated for cuts, and other claimants); whether it has a political agenda; and even if it should exist. Money lies behind all those issues, but money -- or what to do with it -- is an issue that we have taken for granted, just assuming that humanities advocates should be asking for more from the federal government. Isn't it time we stood back and thought about where the N.E.H. stands in relation to total national financing for the humanities, and what the agency can do with the money it has?

A little history is in order. While it is true that the N.E.H. was politically and conceptually the brainchild of the Great Society in 1965, the fact is that the initial explosion in the size of the agency's budget came during the Nixon presidency. Originally financed with \$5.9-million in fiscal year 1966, the N.E.H. saw its appropriations leap to \$79.1-million in 1975. That was more than a tenfold increase over a decade, and it created the necessity to reimagine the endowment, permitting a substantial widening of objectives that included support for newly created state humanities councils. What is important to remember, however, is that the increases were almost entirely in response to advocacy for the arts -- the N.E.H. was the poor relation of the National Endowment for the Arts, but because the brilliant and charming Nancy Hanks (chairman of the arts endowment from 1969 to 1977) was the greatest of federal cultural administrators, grabbing on to the N.E.A.'s coattails proved effective.

Once the N.E.H. had set sail financially, it continued to prosper in the Ford and Carter years, with appropriations growing to \$145.2-million in 1979. As it has turned out, that marked the high point in terms of real dollars, since the Reagan presidency brought severe declines early on, followed by more or less level financing. During the

Bush presidency, appropriations for the endowment took off again, reaching a high point -- in nominal dollars -- of \$177.5-million in 1994.

But the 1994 Congressional elections were disastrous for the N.E.H. Its budget sank to \$110-million in 1996 -- a decline of nearly 40 percent from 1994 -- and was flat for the next three years. The agency has received small annual increases for the past two years, but its budget is still nearly \$60-million below its highest level; in real dollars, the endowment currently has a little more than one-third of the annual resources it had more than 20 years ago.

Where we head from here is anyone's guess, but, given the current situation in Congress, I doubt that we can anticipate substantial increases in the near term.

The reasons for the ups and downs are complex, but the large contours are clear enough. The "Nixon bump," initiated by the White House at the behest of arts advocates, was crucial to the original enlargement of the endowment's size and ambition. The annual increases in the 1970's were the result of broad support for the humanities and benefited all the programs of the endowment, as did many of the substantial increases of the Ford and Carter years. The next and last period of expansion, in the early 1990's, however, was targeted more on particular programs within the N.E.H. -- mainly the result of successful lobbying by humanities constituents for what has come to be the preservation and access activities of the agency (primarily the microfilming of brittle books). Many of the increases in the 90's came from Democratic Congresses, although -- and crucially -- with bipartisan support of leading figures in both houses: Claiborne Pell, Sidney R. Yates, Edward M. Kennedy, Alan Simpson, Jerrold D. Nadler, Amo Houghton, and others.

Indeed, the bipartisan support of the chairmen of relevant committees in both houses has been the hallmark of appropriations legislation for the two endowments -- with the exception of the Gingrich Congresses, when the strenuously ideological House Republicans derailed the financial gains of federal cultural agencies. Ironically, however, the N.E.A., long the motor driving the political engine of federal support for culture, then became a crushing burden for the humanities, causing some N.E.H. advocates to call for abandoning the arts-humanities alliance and striking out on their own in Congress. But, with the decline of ideological extremists in the last couple of Congresses, supporters of both agencies are once again working more or less in tandem.

The most serious political problem on the Hill now seems at least partly demographic: Since the retirement and death of Sid Yates, all of N.E.H.'s Congressional founding fathers (except Ted Kennedy) have now departed the scene. Although the humanities have had strong supporters in both houses and on both sides of the aisle since 1995,

the core stalwarts have not been replaced. Even so, we have been pleasantly surprised by some conversions -- notably the Republicans Slade Gorton in Senate appropriations and Ralph Regula in the House. But Gorton has been defeated for reelection and Regula has lost his chairmanship to the Gingrich reforms that put limits on committee terms.

In general, leadership in the Congress remains one of our most serious problems. But it is also true that we need to rethink our strategies. While the arts are not, for the moment, the liability they were in the mid-1990's, we certainly do not gain any Congressional advantage from our relation to them. And the recent N.E.H. stratagem of playing to presumed populist instincts in Congress has mostly been effective in promoting the present chairman's pet projects -- like regional humanities centers -- not in building support for the humanities as a whole.

My own guess -- and fear -- is that we should not expect much more for the humanities in the next administration. For more than a decade, our strategy has been to pursue long-term growth for the endowment; today, we would be best advised to think how to live with a more or less steady-state agency. That will require a complete reorientation in our thinking -- and a willingness to confront the simmering tensions within our own ranks.

For humanities supporters -- primarily the National Humanities Alliance -- the problem is how to plead for budget increases that more or less satisfy the alliance's major interest groups: academic humanists, libraries, archives, museums, schools, filmmakers and other public programmers, humanities centers, and the state humanities councils (represented by their own lobby, the Federation of State Humanities Councils). The humanities alliance was created in 1981, in response to (what then seemed) the draconian cuts of the Reagan years, and it has managed to present an amazingly united front in the Congressional budget process. But there is a natural tension within the alliance between the state councils and the other humanities stakeholders. I feel the tension personally and keenly, since I am not only the former president of the American Council of Learned Societies, but have also been, first in Illinois and now in New Jersey, a state-council member.

The state humanities councils, unlike the state arts councils (some of which were set up by states even before the N.E.A. was founded) are entirely an N.E.H. creation, the inspiration of Sen. Claiborne Pell in 1971. They do a valuable and effective job of bringing the humanities to the public. They also constitute the only humanities institutions that operate in every Congressional district, so that they and their consortium, the federation, bring crucial political clout to the humanities alliance. The federation has been a loyal player in the alliance, but there always has been -- and always will be -- pressure from some of the state councils to go it on their own and

thereby increase their proportion of federal financing. That is what happened to the N.E.A. during the Reagan years of intense criticism of the arts endowment, when the state arts councils lobbied for, and received, a substantial increase in their annual proportion of the N.E.A. budget. That little revolution did not go unnoticed by their cousins in the humanities.

One difference between the two endowments is that all the arts councils receive major financing from their state legislatures, while few of the humanities councils have comparable support. There is, therefore, understandable and continuing pressure to increase federal funds for the humanities councils. A recent news article in *The Chronicle* seemed to suggest that the need to sell the N.E.H. to Congress is causing it to dumb itself down, to lessen support for academic projects and "high culture," and to address the lay public more directly. Opposition to such perceived changes in N.E.H. programming has been interpreted in the public humanities as academic elitism, and even as an attack on the state humanities councils. But I think the criticism of populism should be read as concern that programming decisions at the N.E.H. are more driven by attempts to please Congress than by efforts to advocate what is best for the humanities as a whole.

Despite the tension over the perceived conflict between scholarship and public programming, some of which is inevitable and productive, it is worth saying here that the state councils, the dominant public programmers in the humanities, must remain a vital part of the alliance. But, given what I think is the realistic prospect of relatively flat budgets at the N.E.H., the real problem may be in keeping the state councils on board over the long haul and avoiding damaging competition between the councils and the academic humanities. More immediately, the problem is likely to be that the humanities constituencies within the alliance will be unable to agree on proposals for new programs, or for significant changes to existing programs, for fear of upsetting the group's delicate balance.

Perhaps the least-noticed issue is the way that reductions in federal appropriations have turned the N.E.H. into a competitor for humanities support from the private sector. Private philanthropy has always been an N.E.H. partner, since the agency has, from the start, made a substantial number of matching grants. Various multipliers have been cited to describe how much N.E.H. projects can raise in private funds, but 1:11 is the ratio usually cited. To the extent that that is true (and the data are not so clean as one might wish), the success of matching grants does, indeed, indicate the existence of a viable partnership between the endowment and private philanthropy.

But the last two decades of increased efforts to promote such a partnership have come with a cost. One hallmark of the Reagan presidency was the assertion that cutbacks in federal financing would be offset by the private sector. While the argument was

primarily directed at service-providing organizations, Lynne Cheney and other N.E.H. officials applied the same logic to their agency. In her early years as the endowment's chairman, Cheney actually opposed appropriations increases, but she also, so far as I know, brought the first private philanthropic money to the endowment, in the form of a teacher-fellowship program in collaboration with the Wallace-Reader's Digest Fund. Comparable efforts were made and intensified by Cheney's successor, Sheldon Hackney, who raised substantial corporate money for the endowment's Web-based EDSITEment project. Under pressure from Congress and the Clinton administration to demonstrate the viability of federal-private-sector partnerships, Hackney also inaugurated the Office of Enterprise (which seeks to broker such partnerships) and supported the creation of the National Trust for the Humanities (which he currently heads), an independent 501(c)(3) organization whose purpose is to raise private financing for N.E.H. projects.

There are two problems with this partnership approach. First, only a limited number of philanthropic foundations -- and even fewer corporate givers -- make substantial investments in the humanities. Competition is also increasing as all federal cultural agencies enter the market for private-sector partnerships, with the Library of Congress taking the lead. Second, and consequently, the N.E.H. as a grant seeker directly competes with private humanities organizations in search of funds -- which those groups are generally seeking to match N.E.H. grants.

It would not be quite fair to say that humanities financing is a zero-sum game, but the reality (and prospect) is perilously close to that. The pressure from Capitol Hill and the White House during the Clinton administration for both endowments to increase their private-partnership fund-raising activities was intensive, and it was enthusiastically welcomed by the chairmen of both endowments. Thus far, the National Trust for the Humanities has not brought in large sums, but the N.E.H.'s current chairman, William R. Ferris, has based his main initiative -- establishing regional cultural centers -- on the potential for raising private money.

Most humanities advocates have opposed Ferris's plan from the start, and his response has been to promise that he will not use federal funds for it. Private funds were indeed used for the first, and small, round of grants made by the program, and the entire scheme turns upon the condition of large private matches for the federally designated centers. (Yet the recently proposed budget for 2002 also contains a line for \$4-million in N.E.H. funds for the regional centers.) The significant point, however, is that, in the unlikely event the centers can make their matches, the pool of funds they will draw upon will be largely identical to those available for other N.E.H. matches and, more important, for the fundraising of local humanities projects and institutions.

With the exception of potential information-technology donors, new money for the humanities will probably be scarce in the short term. Indeed, even with a "soft landing" for the economy, the likelihood of federal tax cuts is almost certain to create an era of decreased philanthropy for the humanities, since lower marginal rates of taxation reduce the incentive for, and increase the cost of, charitable giving. So the N.E.H. partnerships with the private sector and increased match ratios should be viewed as directly competitive with local fundraising.

That was definitely not what the framers of the 1965 legislation had in mind. They wanted to create a mechanism to provide federal money to the arts and humanities. If there is any-thing the humanities do not need, it is a federal humanities policy that the government is unwilling to pay for.

The good news in the humanities situation is almost entirely in the private sector. Individual donors and (to a significantly lesser extent) private philanthropic foundations are providing dramatically increased amounts of money to higher education and to local cultural institutions like research libraries, museums, and historical societies. That's not surprising, since donors are increasingly pursued by, and generous to, their alma maters, and those of their spouses and children. The greatest amount of private giving for the humanities is made through donations to colleges and universities, though it is impossible to quantify the exact levels of such gifts.

But the numbers are large -- by one estimate (Giving USA), total private giving to the arts, culture, and humanities in 1999 was \$11.7-billion. Increased expenditures for endowed professorships, museum construction, renovation and acquisitions for existing cultural resources, the purchase of rare books and manuscripts, and the creation of campus humanities centers (there are now more than 160 in the country) are perfectly visible as one surveys the national scene. To give but one example, a young I.T. millionaire recently donated \$25-million to the University of Virginia, specifically for humanities computing. In reality, therefore, there has never been so much money invested nationwide in the humanities.

Nevertheless, such funds are not necessarily available for some of the most interesting and important humanities activities based outside universities -- or camped uneasily within them. Universities sometimes solicit individual gifts specifically for humanities research projects or library-book budgets, but all too often they favor traditional academic purposes like fellowships or operating expenses for established programs, while the preference of donors is usually for bricks and mortar. The same trend holds true for donations to the growing endowments (and buildings) of nonuniversity cultural institutions like museums and historical societies. Still, we must recognize that, despite the uncertainties of federal funding, the 1990's were a period of

tremendous growth and prosperity for the institutional humanities around the country, especially at elite universities.

One might ask, then, why we should care so deeply about federal money. The answer has not been clearly stated by humanities advocates, in part because their response to federal financing for cultural activities has been similar to that of arts advocates -- we learned fairly quickly how to lobby for specific activities, rather than for the humanities as a whole. In other words, we got good at making sucking noises.

The success of the National Humanities Alliance has been due to its ability to moderate sectarian rivalry better than its counterparts in the arts, but the alliance has always had to be respectful of the individual interests it represents. Nevertheless, I think the case must be made that the most crucial role of the N.E.H. is to provide money to those institutions, projects, and activities that are hard or impossible to finance at the local level.

Who needs the money most? The state humanities councils. The preservation and access activities of the N.E.H., like the microfilming of brittle books. Large-scale humanities research projects -- like the editing of historical records of all kinds, currently threatened by the pending National Humanities Council decision to limit support for long-term projects. Research fellowships, since the gift of time is still the most precious gift for most humanities scholars. Summer institutes for elementary and secondary-school teachers. Money for scholarly travel to research collections at home and abroad. Serious documentary humanities filmmaking. And a good many other activities that are hard or impossible to support except at the national level. In the early Clinton years, Sheldon Hackney used this "national significance" rationale for continued and increased appropriations, highlighting the importance of the scholarly editing of the papers of American presidents, and it makes sense.

On the other hand, we need to be skeptical of the argument that the N.E.H. should favor those categories of activities that command the greatest Congressional support (read, here, the support of the most significant Congressional staff members and their bosses). Cozying up to Congress should be only one factor in the equation. Clearly, Congress needs to be served, but it also needs to be educated. We should beware of the arguments of N.E.H. chairmen who favor populist programs intended to accommodate powerful Congressional interests, especially since that is why they were nominated for office in the first place.

Further, since the ideological attack in Congress on cultural agencies has subsided, at least for the moment (and, in any case, the animus was never seriously directed toward the N.E.H.), we should be bold enough to be less defensive about articulating the goals of the humanities. We should insist that the N.E.H. determine systematically

those humanities activities that are best supported at the national level, and how the endowment can be most effective in sustaining core humanities activities. Such an approach would put the discussion of money for the humanities on a much more rational basis than in the past. And I believe that it might just work. It is surely worth a try. We have little to lose in making an enlightened approach to Congress, unless we believe that larger N.E.H. budgets are a good unto themselves.

The problem that we in the humanities have with the N.E.H. is that it (and we) have not learned how to deal with success. We never had substantial national financing for the humanities before the N.E.H. Generous support came from a very few foundations, mainly the Rockefeller and Ford Foundations prior to 1965, with the addition of the Andrew W. Mellon Foundation since then. But all foundations have their own agendas, which limit the range of their investments. With the exception of the MacNeil Lowry era at Ford in the 1960's and 1970's, the foundations have focused (and none so clearly as Mellon) on the elite humanities.

The legislation establishing the N.E.H. created the possibility of broader, more democratically based financing for the humanities. Successive chairmen and staff members developed a wide range of grant categories, which enabled the endowment, in its peak years, to support an array of humanities activities. But the agency mostly grew topsy-turvy, without careful planning.

Then, the harsh and thoughtless cuts of 1996 created a mess. Some areas of N.E.H. investment were slashed more severely than others, research taking the greatest hit, and politics overtook long-term needs assessment as a way to decide where cuts should be made. Today, the endowment still shows few signs of reassessing national needs as a basis for allocating money.

Working under budgetary constraints is difficult, and Congress is not always an understanding and benevolent appropriator. But we need to make the best of a difficult -- but basically favorable -- situation. We have less money than we would like; but we have much more than without a humanities endowment. I think we can capitalize on what we have only if we step back and ask ourselves what the comparative advantage of federal support for the humanities is. That, in turn, can be done only in the context of an assessment of the multitude of nonfederal sources of support for the humanities -- and in the context of a much better understanding of the range and cost of the humanities activities themselves.

Alas, the N.E.H. has steadfastly refused to invest in that sort of research. The N.E.A. has consistently collected data on the arts, maintaining a quality technical staff to deal with its data. The N.E.H. has been unwilling to do so, and the result is that we simply

do not understand the range, cost, and complexity of humanities constituencies in the United States.

So my plea is that we take a step back and rethink what it is that the N.E.H. can and should do. What has it done best? Why? Where has it failed? After systematically collecting data, we need to establish criteria to assess how limited N.E.H. funds can have the greatest impact on the sorts of activities that can only, or best, be supported by federal money. Surely, that is not too much to ask. And it will resonate better than sucking noises.

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