ARTSGEORGIA
STATE OF THE ARTS™

HOW CAN GEORGIA AFFORD TO SUPPORT THE ARTS IN HARD TIMES?

Hard times require public officials to make the most of every asset and to adopt policies that maximize a state's recovery potential. The arts are a proven part of that mix.

The arts are a recovery asset that supports jobs, stimulates commerce, stabilizes property values and provides many other economic benefits. In the words of the Southern Legislative Conference, "…the growing strength of the arts—as proven admirably during the last downturn, when they continued to create positive economic flows despite depleted budgets—may bring a time when policymakers think twice about substantially cutting funding during the next economic crunch."

In addition to their many economic advantages, the arts offer timely assistance with educational and civic challenges that tend to escalate during tough times. The arts are also central to community resiliency. Whether states are facing economic distress, natural disasters or other adversity, the arts are a powerful force for recovery and healing, a benefit that few other industries offer.

Given current arts funding levels, cutting the arts will not eliminate any state's budget gap. The arts comprise a very small portion of state spending, less than one tenth of one percent. **Reducing expenditures that modest won't appreciably affect state budgets, but will damage the cultural sector's ability to provide jobs, goods and services to communities**.

Furthermore, arts cutbacks can lead to much larger losses, since arts grantees use the "seal of approval" of state funding to attract dollars from other sources.

WHY ARE STATE ARTS AGENCIES ESSENTIAL?

The presence of a strong state arts agency ensures that all communities—regardless of their geographic location, political affiliation or economic status—are systematically and equitably served. Other public funding mechanisms do not attain these same goals. For instance, legislative earmarks are used in some states to supplement arts appropriations. While these line items can be a valuable source of funding, they inevitably exclude some communities. Local government funding is another key source of arts support, but it remains uneven, tending to concentrate in areas with the highest populations or the greatest wealth. Only state arts agencies are positioned to provide strategic and equitable leadership and support to all areas of the state.

-State arts agencies possess specialized expertise related to creative business development and cultural planning. These skills provide sound stewardship of resources and position state arts agencies to act as a locus of expertise and learning that benefits the arts community, other branches of government and the private sector, too.

-State arts agencies support functions that usually are not addressed through other funding mechanisms. The NEA primarily funds well-established arts organizations, whereas state arts agencies devote much of their funding to smaller organizations, community groups and schools.

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Corporations, in order to secure maximum marketing exposure, are most likely to sponsor blockbuster arts events or other highly commercialized activities. In contrast, state arts agency grant making emphasizes grass-roots arts development. State arts agency grants place priority on educational programming, community outreach, long-term planning and activities consistent with the public interest. In addition, state arts agencies often provide operating grants and funding for individual artists—two important areas that few foundations or corporations routinely support and that the federal government does not. “The most fundamental unique asset of [a state arts agency] is its authorization to represent the interests of the state in developing the arts as an important human activity and industry.”

-State arts agencies are the designated vehicle for receiving Partnership Agreement funding from the National Endowment for the Arts.

-State arts agencies have demonstrated their ability to deliver value to the public over time. About half of the states established state arts agencies prior to the creation of the NEA in 1965. Its creation then stimulated the rest of the states to create state arts agencies shortly thereafter. Since that time, state arts agencies have achieved periods of strong growth and shared, along with the rest of state government, the pain of funding cuts during recessions.
In good times and bad, however, state legislatures have continued a commitment to state arts agencies because of the singular benefits that they provide to citizens and communities.

WHAT DO STATE ARTS AGENCIES ACHIEVE?

State arts agencies offer a variety of services, including grants, marketing assistance, public information, technical assistance, training and research. Combined, these services:

• make the economic, educational and civic benefits of the arts available to all communities by broadening public access to the arts and reducing barriers to cultural participation;

• support academic success by helping schools to tap the arts as a teaching and learning asset;

• promote the attainment of state education standards for learning in core subjects;

• foster sound management practices by requiring grantees to adopt rigorous planning, evaluation and financial management systems;

• contribute to a distinctive state identity through activities that celebrate and promote its artistic assets as export goods and magnets for travelers and investors;

• hone a state’s competitive edge by fostering a creative work force, shaping an attractive quality of life, and developing the networks of creative products and professionals a state needs to succeed in today’s marketplace;

• support small business development by providing catalytic funding and essential skills to creative entrepreneurs;

• preserve cultural heritage as a legacy for future generations;

• build bridges across cultures, generations and geographies, supporting civic engagement and involving citizens in community and civic life;

• leverage federal dollars that can be used to address each state's individual goals and support arts activities in many communities;

• encourage other investments in the arts, catalyzing tax revenues, public and private investment, and entrepreneurial business practices;

• demonstrate accountability and good government by pioneering innovative programs and adhering to the highest management and accountability standards that both states and the federal government require.

WHY ARE THE ARTS A GOOD PUBLIC SECTOR INVESTMENT?

The arts are an important policy asset and prosperity generator for states. In addition to their inherent value to society, the arts offer a distinctive blend of benefits, including:

ECONOMIC DRIVERS: The arts create jobs and produce tax revenue. A strong arts sector is an economic asset that stimulates business activity, attracts tourism revenue, retains a high quality work force and stabilizes property values. The arts have been shown to be a successful and sustainable strategy for revitalizing rural areas, inner cities and populations struggling with poverty.

EDUCATIONAL ASSETS: The arts foster young imaginations and facilitate children's success in school. They provide the critical thinking, communications and innovation skills essential to a productive 21st-century work force.

CIVIC CATALYSTS: The arts create a welcoming sense of place and a desirable quality of life. The arts also support a strong democracy, engaging citizens in civic discourse, dramatizing important issues and encouraging collective problem solving.

CULTURAL LEGACIES: The arts preserve unique culture and heritage, passing a state's precious cultural character and traditions along to future generations.

State lawmakers recognize other value-added advantages to making the arts a part of public policy:

Incorporating the arts improves the impact of other state policies and services. Numerous states have recognized this and incorporated the arts into economic revitalization, education, literacy, work-force development, tourism, community sustainability and social service plans.

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Small businesses and individual entrepreneurs are critical to every state's economy. The arts are a dynamic contributor to the small business sector. The creative industries are comprised of many talented workers who are self-employed, freelancers or employed by micro-enterprises. According to National Endowment for the Arts (NEA) analysis of U.S. Census occupational data, artists are 3.5 times more likely than other workers to be self-employed. Nonprofit organizations, too, are small businesses and play an important role in training creative workers and incubating artistic enterprises.

The arts are a hallmark of state innovation. The arts are part of a state's creative capacity, spurring innovation and creating distinctive products and locales that attract tourists, businesses and residents alike. Creativity is part of any state's competitive edge in a modern marketplace where distinctive design and effective communications can spell the success or failure of a business or policy venture.

WHY CAN'T THE PRIVATE SECTOR DO THIS JOB?

It takes a mixture of both public and private funds to support the arts. Although many citizens and companies contribute to cultural activities, the benefits of the arts cannot be fully realized without the unique contributions of government. In the marketplace or among individual philanthropists, many motivations (including personal goals and advertising exposure) drive funding decisions. In contrast, government investment serves the public interest and ensures that all areas of a state receive the benefits of the arts. Government support also:

-provides fair access to arts resources, especially among underserved populations;

-accurately assesses the state's cultural needs and assets, then organizes efforts to help the state achieve goals that are relevant to its policy priorities;

–provides accountability, ensuring that funds are distributed according to the public interest;

-reduces barriers to public participation in the arts, such as those linked to poverty, geographic isolation, limited education, lack of information, disability, age or ethnicity;

-secures federal Partnership Agreement dollars, which only state arts agencies are eligible to receive on behalf of a state.