

The Platform **Volume Two, Number Three** **May 2002**

The Platform is published three or four times a year by AEA Consulting, a company that specializes in strategic and operational planning for the cultural sector. The Platform serves to promote discussion and understanding of the critical factors affecting cultural organizations, their successful management and their wider relationships to society, and also to give us all a chance to sound off a bit. Comments or contributions welcomed by Jeanne Bouhey, Editor, at platform@aeaconsulting.com. Back copies are available at www.aeaconsulting.com. If you don't wish to receive The Platform again, then just send an e-mail to this address saying 'Stop it' and you won't.

Article

Salary deflation

In its December 2001 edition, *The Art Newspaper* ran a feature about US museum directors' salary levels, showing these to be, on average, 2-3 times higher than those achieved by their highest paid peers in the UK. The large US institutions now pay their chief executives packages worth close to half a million dollars (including benefits in kind such as living accommodation), whereas their highest paid counterparts on the other side of the Atlantic are currently offered a maximum of £120,000 – the equivalent of \$180,000 and the salary at which the directorship for the British Museum was advertised last year.

US directors' onerous fundraising responsibilities could be seen to justify a large part of this transatlantic differential, although as *artsjournal.com* reported last year, US museums themselves have been finding it difficult to recruit even at these salary levels. The pool of candidates capable of marrying subject expertise with management and fundraising skills and prepared to accept the demands of boards and donors is limited.

Attempts over the last decade to widen the pool by recruiting from the business sector have had mixed results.

The Art Newspaper's transatlantic comparisons did serve to highlight that, in the global profession that senior-level museum management has become, securing and retaining talent inevitably means having to compete in the recruitment market. The same applies to leading players across the cultural sector (opera houses, orchestras, festivals etc.). The implications of this in terms of institutional funding requirements are clear.

Raising an extra \$50-100,000 towards a better-endowed directorship should not be an insurmountable task for most boards. In fundraising terms, it is a straightforward proposition (with naming opportunities attached), and even public funders might accept that they need to pay for excellence at top level.

Unfortunately, the issue of the appropriate remuneration of the director is only the tip of an iceberg that has been forming below the water line: deflation across the entire salary scale of museums and most other cultural institutions. For three decades now, salary progression in the UK museum sector and the cultural sector as a whole has lagged behind not just the economy itself, but also most parts of the public sector, including education and health – which have been much more effective in arguing their case in the public arena.

Making an equally strong case for museums is not an easy task. For a start, there is very little, if any, statistical data to go by. In the UK, neither the oddly named Re:source nor its predecessor the Museums & Galleries Commission have been collecting data systematically in this area – and neither have the museums themselves (through, for example, the National Museum Directors Conference). So what we are left with are anecdotes and unverified figures sporadically quoted in the press. A couple of examples:

- The average museum professional's salary in the early 1970s was equivalent to 88% of a graduate teacher's. The comparative figure has now dropped to 72%.¹ The comparison is even more

¹ Figures quoted in *The Guardian*, 19 March 2001

telling when set against the widening gap that education itself has experienced *vis-à-vis* other parts of the public sector such as health – with academic salaries relative to GPs quoted as having dropped from 77% to 57% over approximately the same period.²

- The Association of Graduate Careers Advisory Services quotes the ‘typical salary of curators aged 40’ as being £18-24,000 – which set against the average London house price of £175,000 gives a multiplier of 7.3 times. This compares with 6.7 times the average salary economy wide³.
- A senior curator of a major national museum recently remarked that his predecessor lived in a Bloomsbury town house, his predecessor in a (still large) north London home, whilst he himself could just about afford a terraced house at the far end of one of London’s tube lines. His younger colleagues are probably stuck in flat-shares or studio living well into their careers.

The situation is of course exacerbated by the now exorbitant cost of living in world cities such as London – but then many of the leading institutions of the world are located in such cities.

What happened? Simply put, much is attributable to ‘Baumol’s disease’ – named after William Baumol pioneering insights into the economics of the arts in the 1960’s: in contrast with most sectors in the post-industrial economy, the technological revolution of the past 20-30 years produced only marginal gains in productivity for cultural institutions. A museum still needs as many curators, warders, or conservators as it did 20 years ago, and a symphony orchestra still needs 20 violins, 2 oboes, etc. to perform a work of a certain duration that cannot be produced more efficiently. In the private sector (and parts of the public sector), increased labor productivity drove salary progressions, which in turn drove the general rise in standards of living. The cultural sector, however, took on new functions in the same period (visitor services, education,

marketing, finance, etc.) that meant additional rather than fewer staff.

At the same time, the main source of income – grant in aid – has at best progressed in line with inflation, and in most cases it has declined in real terms. The financial squeeze hit all expenditure categories, with salary being the single biggest one (generally accounting for some 60-70% of recurring costs of operation). So for a few decades now, institutions have relied on a pool of people prepared to forego salary progression in line with the general increase in the cost of living. In those areas where new functions had to be filled from outside the sector (finance or fundraising, for example), this was more difficult to achieve – leading to internal wage discrepancies in salary scale and a further squeeze on traditional jobs (curators, for example), as resources had to be freed for new posts.

For how long can this process continue before it starts eating into the very fabric of the organization? Probably not for very long, and the signs that all is not well have been showing for some time. The corrosive effects of ‘salary deflation’ are manifest in a number of ways – across a range of institutions, large and small:

- *Employee profile*: as the opportunity cost of working in the sector increases, staff is increasingly made up of singles, persons with better-paid partners, or those with private income – that is, people without family commitments or with external sources of funding;
- *Staff turnover*: often, the only way to progress in salary terms is by changing employer. While staff turnover is, in principle, a healthy phenomenon, too frequent changes – in particular at middle and senior management level – are disruptive and costly in human resource terms – and not just financially. The ability to retain key talent over long periods is essential in a sector where the recruitment pool is limited and where the principle of continuity forms part of the very essence of the institution. Almost invariably, successful institutions have been characterized by the long-term tenure of a strong leader and his/her team.

² Figures quoted in *The Times Higher*, 11 May 2001

³ Source: *Financial Times*

- *Staff loyalty and commitment*: over time, low levels of compensation impact staff morale – individually and collectively. Few are those who in the long run cope well with a hand-to-mouth lifestyle, in particular once friends and peers in other professions can more easily translate their professional success into financial reward, or when child education, health and the specter of old age provision come onto the agenda. The fact remains that, by and large, our society sees remuneration as an indicator of personal ability. Strength of character (and more) is required not to be affected by the steady erosion of relative purchasing power, with all the implications for individual ‘pursuit of happiness’. Organizationally, the price for this state of affairs is a decline in quality of work, motivation levels, and general institutional commitment. Where this occurs at management level, it quickly pervades the organization. Think of the old Soviet adage: “They pretend to pay us, we pretend to work.”
- *Management control*: the erosion of staff commitment directly affects the running of the organization. Other than through a ‘reign of terror,’ how can senior management or boards effectively apply a ‘carrot and stick’ mechanism to employees who increasingly see themselves as subsidizing the organization? All too familiar in this context is the creation of ‘fiefdoms’, within which individuals or groups of employees operate according to their own agendas and priorities with little or no regard to the wider institutional agenda. To a large degree this explains institutional inertia, and the inherent difficulty for new leadership of breaking it. Equally problematic in terms of institutional leadership, the nursing of employee loyalty implies sharing ownership of the institutional mission through an arduous process of internal consensus building.

At worst, organizations end up with low morale and productivity and a staff pool that, in cost-benefit terms, starts looking very expensive! In the context of a salary bill that still accounts for

well over 50% of an organization’s budget, the inability to extract value is a serious issue.

Where then will the next generation of high caliber middle and senior management come from, if staff are increasingly asked to subsidize their employer by way of forgone income (and, by extension, life style)? And this at a time when institutions operate in an increasingly complex and demanding context, and where the social standing of areas that have traditionally attracted people to the sector – scholarship, curatorship, etc. – has declined.

Are we fast reaching the point where only those without families, or with partner or private sources of income will be in a position to afford a career in the cultural sector? And what implications does this have in terms of equal opportunity, ethnic diversity, etc.? And will this ultimately affect the ability of institutions to respond to public and policymakers’ expectations that they be inclusive organizations, firmly embedded in and reflecting the wider social context?

These are important questions for today’s senior managers, boards and public policymakers. And they need to be addressed now, when there is still time to prepare the handover from the present generation of cultural managers to the next.

Already, history of art and other subjects that traditionally led to careers in the sector have seen a substantial drop in student numbers. This may partly be the result of wider socio-cultural trends, but it also reflects the sector’s poor career prospects.

What can be done?

- First, establish the facts: without reliable data the argument lacks credibility. In this respect, the sector needs to learn from education and health, which have been much more successful in arguing their cases;
- Recognize the problem: it is time that the issue of under-investment in staff compensation be explicitly recognized for its pernicious effects on organizations and, by extension, the ability of the sector as a whole to fulfill its obligations;

- Build this into an analysis of long term funding requirements: corporate plans need to make provisions for rising compensation levels;
- Revisit compensation structures: where increasing cash remuneration is not an option, there must be more imaginative ways to renegotiate the contract between staff and institution that takes account of non-monetary motivational factors – for example, free time, in the form of sabbaticals, prolonged maternity/paternity leaves, etc., or simply shorter working weeks – but in a way explicitly linked to individual performance rather than enshrined as an acquired right.

Change is, first and foremost, the responsibility of boards and policymakers. Ultimately, it means owning up to the fact that the price tag attached to ‘high culture’ – however expressed – is inexorably rising and will continue to do so. This makes the need for strong, compelling and well-articulated advocacy – at institutional and sectoral level – all the more important.

Magnus von Wistinghausen
mvwistinghausen@aeaconsulting.com

Book Reviews

Who Owns Culture? Cultural Property and patrimony disputes in an age without borders

**National Arts Journalism Program
 Columbia University New York
 Proceedings of a conference held April 15 – 17, 1999.
 Published 2001**

If one is looking at the challenges that museums are likely to face in the next decade or so, the issue of establishing the political and moral legitimacy of their holdings is likely to be pretty high on the list. As evidenced in its coherently edited proceedings, this conference sought to bring participants and informed observers together in a series of linked but distinct debates about the legal and moral rights associated with cultural property. These debates include those relating to Native American artifacts, to artifacts acquired by the great museums in the eighteenth and nineteenth

centuries, to Nazi and Soviet looted artifacts, and to unprovenanced antiquities from the Mediterranean, the Far East and South America.

The perspectives represented include those of private collectors, dealers, curators, archaeologists, journalists, legal experts, historians, anthropologists and even a Nobel prize-winning poet (Derek Walcott), though, interestingly, government agencies are not well presented. The debate is frank and measured and the standard is high, and I am aware of no more efficient way of forming an overview of this complex, overlapping territory than reading this report, although obviously no one area is dealt with in depth.

Indeed, while there are several highly accessible ‘lay’ accounts of Nazi looting, such as Lynn Nicholas’ *The Rape of Europa* (Vintage, 1995) or Hector Feliciano’s *The Lost Museum* (Basic Books, 1997), many other equally dramatic stories await their popular historians. One such riveting account was recently published – *Give Me My Father’s Body: The Life of Minik, the New York Eskimo* by Kenn Harper (Steerforth Press, 2000). It is the chilling story of the American Museum of Natural History’s treatment of a small group of Inuit Indians in the name of scientific discovery in the late 19th century. (Or you can just wait for the film, as Kevin Spacey has bought the rights.)

As well as sketching out the principal controversies and the positions adopted by different players, speakers at the conference described succinctly the legislation and conventions that provide the context for the debates – UNIDROIT, and, in the US, the Cultural Property Implementation Act and the Native American Graves Protection and Repatriation Act (NAGPRA). There are also some tragic vignettes such as Helen Jessup’s account of looting in Cambodia and Chris Haskett’s of Tibet.

Predictably few conclusions are reached other than that the issues are likely to grow in salience over time and that dialogue is important. However, it is clear that the issues discussed are of fundamental importance and potentially incendiary public interest, that they are amenable to simplistic polemical fiat in their treatment, and that their resolution is

going to require wisdom and moral maturity on the part of those involved, including museum boards and senior executives.

For all of these reasons, it is incumbent upon the museum sector to examine pre-emptively and to articulate more clearly and more openly the moral (as opposed to legal) grounds for their contested holdings – and ways in which the simplicities of legal ownership can and should be tempered by respect for counter-claims that may not have the force of law, but that do have an undeniable moral force. These claims can, in good faith, be met by all sorts of steps that do not necessarily amount to restitution but that make artifacts more accessible and place them in an appropriate context.

Adrian Ellis
aellis@aeaconsulting.com

The report *Who Owns Culture?* is available at
<http://www.najp.org/printculture.htm>

Building a Better Library

Planning for a new generation of Public Library Buildings
G. B. McCabe
Greenwood Library Management Collection
Greenwood Press 2000
ISBN 0-313-30592-7

Financing Public Library Buildings
R. G. Hall
Neal-Schuman Publishers 1994
ISBN 1-55570-165-5

Designing Better Libraries: Selecting & Working with Building Professionals
R. C. McCarthy,
2nd Edition Highsmith Press 1999
ISBN 1-57950-044-7

San Francisco Public Library Post Occupancy Evaluation – Final Report 2000
Ripley Architects
San Francisco: Ripley Architects 2000
(Executive summary available at:
http://sfpl4.sfpl.org/documents/poe_executive_summary.html)

Libraries have been part of the building boom that has characterized the cultural world internationally, and particularly the United States, over the last decade. Major new city center public libraries have been completed in Chicago, San Francisco, Denver, Phoenix, San Antonio, Vancouver, Nîmes, Montpellier and Norwich, and more are presently under construction in Marseilles, Salt Lake City and Seattle. Major projects are planned for Milan, Turin, Amsterdam, Minneapolis and Birmingham, to name but a few. London and Paris have two massive new national libraries. And in Egypt, the new Library of Alexandria conjures up the fame of antiquity as the foundation for 21st century economic and cultural revival. Libraries are oddly fashionable, and the rest of the cultural sector is taking an increasing interest in their success and in the key drivers that have secured it.

As with other areas of cultural infrastructure, headline-grabbing architects are increasingly important in designing these iconic buildings that help secure the political and public support for the massive funding required. Architects for the above projects include Pei, Graves, Safdie, Hopkins, Koolhaas, Bruder and Foster. Libraries have thus joined museums and art galleries as important symbols of the cultural and educational vitality of cities, especially as urban economies shift from manufacturing to service industries and information processing.

Within the cultural world, however, libraries occupy a distinct territory – at once familiar, and yet rather alien to museums or the performing arts. Professional transfers out of or into the library sector are rare, and most people elsewhere in the cultural sector, while generally aware of the impact of information technology, have little knowledge about current concerns and practice in the library sector where its impact has been fundamental. This is a pity, since libraries are exploring territory of relevance to the broader cultural sector, particularly in terms of service delivery to users and the relationship between the place of consumption and the source of the original production. Libraries, above all, demonstrate the tension of matching the local with the global, a multifaceted issue that will surely affect the whole cultural sector in the next decade.

The library construction boom has generated a wide variety of publications, from general planning guides to monographs on individual buildings. The books reviewed here focus on the practical delivery of the physical structure. However, they differ in authorial perspective: that of the librarian, the finance director and the architect. Read together, they provide a useful overview to planning, funding and making a library building happen. However, “excitement” doesn’t appear in the indexes, and isn’t much in evidence in the texts themselves.

With a title that promises more than it delivers, McCabe’s book is the most frustrating. While it provides an overview of the key elements in planning a new library, the level of information is so general that its utility for an actual project is limited.

Hall’s book is the most interesting and is atypical in its confronting the issue of funding cultural developments head on. A general introduction covers construction pricing and is followed by sections examining the four main sources of funding – federal, state, local and private. As a reader in the United Kingdom, I found this an interesting introduction to the funding of all types of culture in the United States, not just libraries. The book covers everything from local general obligation bonds through to selling air rights and the transfer of development rights. Unusually for a book on the cultural sector, Hall has drawn together a considerable amount of financial data, particularly on the costing of libraries. While a bit out of date now (the book was originally published in 1994), the book is still a useful source of summary data.

McCarthy’s book is the clearest, providing a simple guide through procuring a library building. For the novice, it provides an appropriate level of information. McCarthy is both an architect and a library trustee so the advice provides a good balance between the perspective of the client and the architect.

And so to “excitement” or the lack of it hereabouts... A hundred years ago, public libraries had a quasi-monopoly on the supply of information to the general public. This position has been eroded through the 20th century, and the last two decades have seen this position altered fundamentally with the massive expansion of all types of media, increasing

purchase of publications by the public, and the development of the web. Libraries are having to learn to be far more proactive in attracting users. Like all other forms of culture, public libraries are moving into a more challenging but in many ways more interesting environment. Issues of cultural production rather than cultural warehousing are becoming increasingly important.

If libraries are going to retain and expand their user base, they are going to have to develop a more engaging offer – an offer that is attractive, transforming and exciting – to increasingly multicultural communities of the world’s cities. This is a tough challenge but one that many new libraries are addressing through a much greater range of services, a more social and participatory atmosphere, and a growing emphasis on the creation of material rather than just passive consumption.

The library building rarely makes a library great, but it can provide the platform for greatness. The books mentioned here are seemingly disconnected from the practical issues of developing organizational objectives—and from the strategic planning necessary to deliver profound social evolution. They also seem curiously unrelated to contemporary issues, as if they are rooted in a different age and divorced from programming issues that are essential for future success.

While ‘How To’ guides are useful, it is often reviews of completed projects that are most revealing and educational. The recently published project evaluation of the Pei, Cobb, Freed & Partners’ San Francisco Library (opened in 1996) provides a fascinating insight into the original objectives for the project and their practical delivery.

Indeed, the San Francisco evaluation is of value to anyone planning a cultural building project. Skateboarding in the library entrance may have been a particularly expensive problem to resolve in California, but observation of many public buildings shows this is just one local manifestation of more widespread changes that must be taken into account if cultural resources are to be successfully positioned at the heart of urban life.

Geoff Marsh
gmarsh@aeaconsulting.com

Arts & Economics: Analysis and cultural policy

Bruno S. Frey

Springer Verlag-Berlin 2000

ISBN 3-540-67342-3

When I was a graduate student in the early '80s fumbling around for a thesis topic, I spent most of my time lost in the field of social choice theory – the application of the methodologies of economics to adjacent fields, such as political behavior and sociology. I was particularly interested in its application to the ways in which politicians' and bureaucrats' self-interest needs to be taken into account (as much as the self-interest of consumers or producers) in anticipating the outcome of any set of policies or institutional or constitutional arrangements.

Bruno Frey was a pioneer in the field of the political business cycle, the way in which politicians in democracies seek to manipulate macroeconomic variables to win elections and the predictably deleterious impact of such behavior on economic growth. Frey continues to explore the field of social choice theory, and his recent book is a collection of essays – many reprinted from *The Journal of Cultural Economics* – on the application of the world of *homo economicus* to a range of cultural issues. These include:

- whether museums should trade their reserve collections more readily – the deaccessioning debate;
- the characteristics of festivals and blockbuster exhibitions;
- the circumstances in which there should be public support for the arts and the efficiency of different forms of direct and indirect support;
- the different impacts of different forms of government (authoritarian, democratic, unitary and federal) on artistic endeavor;
- the market in forgeries.

The style is brusque and school masterly, and Frey relishes the iconoclastic conclusions he reaches in many of his exercises in deductive reasoning, some of which are supported by statistical evidence, but usually by no more than an illustrative vignette. Like almost all economists, he has a strong though by no means absolute preference for market-oriented

solutions, and much energy is devoted to demonstrating the perverse results of well-intended policy interventions that seek to influence market outcomes.

This book is explicitly not a textbook, but an exploration of themes that interest the author. Despite occasional, rather unexpected, lapses into 'least squares analysis' and the like, the book is, for the most part, accessible to those with no more than Economics 101. It is worth reading because of the bracing and cursory powers of deductive reasoning he deploys, which are a good antidote to the self-serving and often windy prose so often used in defense of high culture. Where one does not agree with him, the very transparency of his thought allows one to identify the precise point at which one parts company.

Adrian Ellis

aellis@aeaconsulting.com

Faded Mosaic: The Emergence of Post-Cultural America.

Christopher Clausen.

Ivan R. Dee, Inc. 2001

ISBN 1-56663-425-3

This dyspeptic book is worth the detour. The thesis, propounded with some panache, is that the rhetoric of multiculturalism is either naïve or disingenuous. Multiculturalism as manifest in America is sentimental pap, a sort of mildly spiced synthetic additive to globally homogenized capitalist democracy. The cultural relativism that is its current philosophical rationale is self-contradictory, requiring moral judgments to be made about the acceptable limits to cultural difference but unable to generate the criteria to make them. "What cultural relativism now usually amounts to in practice is that only those aspects of non-European cultures that seem most compatible with Western feminism and at least a minimal notion of human rights are held up as examples of diversity. Few American multiculturalists are enthusiastic about the treatment of women in Saudi Arabia... or, worse yet, Afghanistan under the Taliban."

The sustainable variant of multiculturalism that celebrates 'difference' within the constraints of a liberal democratic society that protects the rights of individuals is, Clausen asserts, a

celebration of the nostalgic and the inauthentic – ‘culture lite’ with “none of the sharp edges that cause bleeding. ...For all but a tiny proportion of the North American population the connection with an ancestral culture is now so vestigial that whether to assert or ignore it has become entirely a matter of choice.”

Multiculturalism is simply another option to be exercised by the anomic, individuated, deracinated consumer, an option ultimately manifested in trivial decisions about cuisine or fashion and what to call the year-end holidays.

Indeed, the ‘culture’ of multiculturalism is barely a culture, it is more like ‘internet culture’, which “is not a total way of life; it did not evolve among a distinct people; nobody inherited it or was raised in it; it makes no moral demands, has no religion at its center, and produces no art. Although complex, its rules are purely procedural...” Nobody doubts that within contemporary American society, differences of perception and behavior exist that bear some relation to divisions of race, class, sex, occupation, and a myriad of other group distinctions. But with rare exceptions the connections are too approximate, the differences too small, the areas of overlap too large, the pace of change too fast, to make the notion of culture anything but a source of confusion. The word has come to be used so loosely because those who use it have no organic relationship to an inherited culture and no clear conception of what such a relationship would be like.

Clausen’s argument, studded with illustrative anecdote rather than sustained evidence, belongs comfortably neither to the right nor the left of the ‘multiculti’ debate as usually understood. Indeed, individual steps in his argument could be brought to bear by either side in the culture wars. His conclusion is a curiously pragmatic one – the faded mosaic of the title, bleached out by the homogenizing influence of consumer capitalism, administrative centralization and globalization, still has its merits: “individual liberty, the nagging possibility of variety, does observably breed some actual variety, and keeps open to members of each generation the goal of real diversity in ways of thinking and living, as distinct from the bogus diversity of ancestor worship.”

There is something in this short, readable book both to stimulate and to utterly infuriate practically any intelligent reader. It would have been great to have seen some more robust data to support the assertions, but that would have been a different, longer book.

Adrian Ellis

aellis@aeaconsulting.com

Why not end with a bilingual poem?

I carry	<i>mis raíces</i>
my roots	<i>las cargo</i>
with me	<i>siempre</i>
all the time	<i>conmigo</i>
rolled up	<i>enrolladas</i>
I use them	<i>me sirven</i>
as my pillow	<i>de almohada</i>

—Francisco Alarcón

Quoted in Ilan Stavans, *The Hispanic Condition: The Power of a People*. HarperCollins, 1995.

©⁴ AEA Consulting LLC

⁴ i.e. regurgitation – attribution = calumny