MacKenzie Scott Just Laid Out a Powerful Case for Funding the Arts
Mike Scutari, Inside Philanthropy
June 23, 2021

Of all the concerns that keep arts fundraisers up at night, perhaps none is more troubling than making the case for the field in a post-pandemic world that finds donors overwhelmed with urgent needs in areas like public health, economic inequality and racial justice.

On June 15, not only did MacKenzie Scott give a serious financial boost to arts and culture nonprofits, she also laid out a pretty compelling argument that it’s critical to fund the arts at this particular moment.

Scott announced $2.7 billion in support for what she called “Two-hundred eighty-six high-impact organizations in categories and communities that have been historically underfunded and overlooked.” Unlike in her previous two rounds of grantmaking, arts and
cultural organizations emerged as big winners. I counted at least 61 arts and culture organizations among the 286 recipients.

Prioritizing the arts in such a headline-grabbing round of grantmaking sends a powerful message, but Scott also made the following argument in her latest Medium post:

“Arts and cultural institutions can strengthen communities by transforming spaces, fostering empathy, reflecting community identity, advancing economic mobility, improving academic outcomes, lowering crime rates, and improving mental health, so we evaluated smaller arts organizations creating these benefits with artists and audiences from culturally rich regions and identity groups that donors often overlook.”

In one efficient sentence, Scott—an acclaimed novelist who quotes Rumi and Emily Dickinson in her grant announcements—laid out seven persuasive reasons funders should support the arts. Scott’s perspective is especially trenchant given her stated grantmaking methodology. She and her husband Dan Jewett selected organizations after a “rigorous process of research and analysis” in consultation with an army of advisors, applying a data-driven lens to an arts and culture field primarily known for its intuitive, qualitative benefits.

In other words, Scott is signaling that supporting the arts is more than a feel-good passion project—it’s a concrete way to make an impact. The team didn’t come to that conclusion in a vacuum, however, as arts and culture funders and advocates have been making a similar case for years. But the announcement succinctly pulls together prominent ideas that have been bubbling up in the arts funding space, and are perhaps more relevant than ever.

It struck me that these seven points could basically serve as a guide for arts grantseekers in 2021. With that in mind, let’s walk through the MacKenzie Scott case for funding the arts, point by point, to better understand why these areas of impact are so important to funders right now, and how they might steer arts nonprofits’ current fundraising efforts.

1. Transforming spaces

Grantmakers support arts and culture as a way to add vibrancy and vitality to a neighborhood or public space. “We believe that great public spaces have the power to transform cities,” the Knight Foundation’s site says. “They are where neighbors can meet
and residents can enjoy local arts and culture, take a jog or spend time with family.” But funders interested in placemaking understand that the impacts can run even deeper than that.

Consider Bloomberg Philanthropies and its Public Art Challenge, which launched in 2014. Kate D. Levin, who oversees Bloomberg Philanthropies’ Arts program, told me in 2018 that public art projects “often reflect vision and aspiration that bring together people from different communities, interests and backgrounds. Because a successful public art project often gets people to see themselves or their city differently, along the way, it can shake up normal protocols a bit to get things done. Practically speaking, these kinds of projects tend to straddle a number of different areas, both physically and in terms of community engagement, so they drive the building of new collaborations.”

To Levin, public art doesn’t just catalyze an aesthetic change to a public space. It also triggers what she calls a “beneficial cross-sector dialogue and work that couldn’t happen in other ways.”

Funders may also value the power of the arts to revitalize commercial areas recovering from the pandemic. “In order for any city to get back up and going, they’ll need performing arts organizations to attract audiences,” Chicago’s Steppenwolf Theatre Company executive director Brooke Flanagan told me earlier this year. Flanagan called Steppenwolf’s $73 million expansion project “an investment that will yield larger civic goals that our donors share.”

Funders are also wary of the difference between responsible and irresponsible arts-driven transformation. In recent years, proponents of creative placemaking have become increasingly concerned about how the practice may displace long-term residents from rapidly gentrifying neighborhoods.

Organizations embarking on creative placemaking must ensure the process includes the voices of the people who live in the neighborhood in question. “This approach can contribute to enhanced pathways for people with low incomes to lead self-determined, healthy lives and to contribute to more just outcomes,” Kresge’s site says. “However, it
must take aim—in an explicit, nuanced and multifaceted way—at the structural inequalities of systems, policies and practices that are embedded in all dimensions of community life.”

Grantseekers hoping to understand where their work might fit into this funding priority should look to ArtPlace America, which wound down in December 2020. It left behind a deep body of research and perspectives to help fundraisers articulate how the arts can transform public spaces. Check out its resources page and my interview with Jamie Bennett, who served as ArtPlace’s executive director since 2014.

2. Fostering empathy

When Scott announced her first round of grantmaking in 2020, she bucketed funding across nine categories like Racial Equity and Public Health. Organizations within her Empathy & Bridging Divides category received a total of $55 million. While arts and culture organizations weren’t part of the mix, the broader takeaway still holds: Empathy can restore some semblance of sanity in a society wracked by social media-induced divisiveness, loneliness, and political partisanship.

Scott’s contention that the arts can foster empathy has gained traction across the philanthrosphere in recent years. Back in 2017, the largest and most influential institutional arts funder of them all, the Andrew W. Mellon Foundation, awarded a grant to the Minneapolis Institute of Art that established the Center for Empathy and the Visual Arts with the goal of working with researchers, scholars and artists to explore ways the visual arts can foster empathy and compassion to affect positive social change.

“In our increasingly divisive world, polarized by issues regarding politics, racial inequities, marriage equality, global warming, income disparities, and immigration policies, it becomes clear that our failures to understand other people’s feelings are exacerbating prejudice, conflict and inequality,” reads the center’s website. “Art museums, with their collections filled with stories of humanity from across the globe, are well-positioned to play a vital role in helping people understand each other.”

I encourage fundraisers to check out the center’s white paper on how the arts can cultivate empathy, the center’s experts’ recommended reading list, and toolkits, curricula and
examples from other cultural institutions working with empathy. Arts Impact Charlotte also provides a sampling of research documenting how the arts and culture can build civic engagement, community cohesion, and “social tolerance.”

3. Reflecting community identity

This area is more qualitative in nature, as it’s difficult to measure how the arts can reflect community identity. But it’s especially relevant as cities and towns strive to make their cultural assets more accurately represent the true depth of their communities.

The Kenneth Rainin Foundation has been exploring this idea. Its Open Spaces program supports nonprofits to partner with artists to create temporary, place-based public art projects that are responsive to issues relevant to communities in San Francisco and Oakland. “Temporary public art projects enable artists to respond to critical issues that resonate with their local communities,” Shelley Trott, the foundation’s director of arts strategy and ventures, said in a 2018 grant announcement.

For example, a partnership between the Filipino-American Development Foundation, Kularts and artist Alleluia Panis aims to “bring visibility and collective cultural healing to the Pilipino community in San Francisco’s SOMA neighborhood.” Other Open Spaces projects have addressed key community issues like immigration and migration, disability rights, transgender activism, mass incarceration, women’s rights and gentrification.

Trott points out that such projects can leverage “innovative storytelling and community building to highlight diverse voices and elevate underrepresented histories.”

A review of MacKenzie Scott’s recent recipient list reveals some strong examples of arts and culture organizations committed to reflecting community identity. They include the Los Cenzontles Cultural Academy, which is leading Mexican cultural roots revival in the U.S., and the Ashé Cultural Arts Center, which celebrates the people, places and philosophies of the African diaspora.

4. Advancing economic mobility
Fundraisers frequently alluded to the next four talking points before the pandemic struck. The arts, they’d argue, boost economic mobility, improve academic outcomes, lower crime rates, and improve mental health. But the crisis has added a new level of urgency to this concept.

Pre-2020, fundraisers made the case that a flourishing arts ecosystem helps workers climb up the economic ladder. Not only did funders agree, but many highlighted their ability to create jobs. For example, in announcing its 2018 Public Art Challenge, Bloomberg Philanthropy’s press release noted that the initiative employed 820 individuals and generated $13 million for local economies.

This was two years before the pandemic hollowed out the cultural and performing arts workforce. Last August, researchers at the RAND Corporation found that 27.4% of performing artists reported being unemployed, roughly twice the fraction of non-performing artists (14.5%) and higher even than those working in retail (18%). BIPOC artists and cultural workers were hit especially hard, as documented extensively by Americans for the Arts.

The pandemic may be receding, but funders aren’t getting complacent. On June 3, the Mellon Foundation announced Creatives Rebuild New York (CRNY), a three-year, $125 million initiative that will provide artists with either full-time employment opportunities or guaranteed income to address the impact of COVID-19. Additional funding is being provided by the Ford Foundation and the Stavros Niarchos Foundation.

“These funds will address the financial hardship and combat systemic inequities that have long plagued the sector,” Emil J. Kang, Mellon’s program director for arts and culture, said in the announcement.

One of Scott’s grantees, the Memphis Music Initiative (MMI), has a program called the MMI Works, which creates paid summer opportunities for youth to work at music and arts organizations and offers equitable access to career training and professional/personal development. “Despite its strong cultural assets, Memphis is facing a difficult socio-economic climate, and many challenges serve as critical barriers to youth success,” the MMI’s site states. “Creating and fostering high-quality youth development opportunities that
exist after school, on weekends, and during the summer is critical for the success of Memphis youth."

Moving forward, grantseekers can continue to make the pre-pandemic argument that the arts create jobs. But they can also accentuate the importance of helping disproportionately affected BIPOC artists, workers and students recover and thrive.

5. Improving academic outcomes

This is another area of impact that was a priority before the pandemic, but one that has become even more resonant with grantmakers and grantseekers alike. Advocates were well aware that the arts experience could improve academic outcomes, and if they had their doubts, there was an extensive body of research to back it up.

Then the pandemic hit, forcing schools to pivot to online learning. Parents and educators immediately began to worry that students would fall behind. Unfortunately, their fears were justified.

A recent RAND Corporation survey found that two-thirds of teachers said their students are less prepared for grade-level work than they were one year prior. And in late April, a Public Policy Institute of California survey found that 86% of respondents said children have fallen behind academically during the pandemic.

Low-income students who lacked the requisite technology to transition to remote learning were hit the hardest. Zearn Math, an online program used by over 6 million elementary school students, found that by May 2020, students from low-income zip codes had regressed in math by more than 11%. By mid-October, total online participation from low-income students was down approximately 10% compared to January.

Moving forward, the potential impact the arts can have on academic performance will be an important point that arts nonprofits should be making to funders, who will no doubt be looking to back efforts that might heal the damage the pandemic left in its wake.
This means supplementing pre-pandemic talking points and organization-specific metrics with data attesting to the pandemic’s effect on the students they serve. Fundraisers can look to resources like Opportunity Insights, a data project developed by Harvard and Brown universities, and this report from Stanford on learning loss during the 2019–2020 school year.

6. Lowering crime rates

Researchers have long explored the connection between access to the arts experience and public safety. Back in 2016, the Urban Institute published a study in partnership with ArtPlace America that found “creative placemaking goals align well with important public safety goals that are associated with reductions in violence and criminal activity.”

A year later, the School of Social Policy & Practice at the University of Pennsylvania found that low- and moderate-income residents in New York City neighborhoods with many cultural resources are healthier, better educated, and safer overall than those in similar communities with fewer creative resources. Specifically, researchers found that the presence of cultural resources is associated with an 18% decrease in the serious crime rate.

While overall crime rates are lower than they have been in recent years, homicides and shootings surged across 2020. And although the pandemic may be receding, local leaders are now grappling with a crime wave that is showing no signs of abating, according to a June 14 article in the New York Times.

In coming months and years, more funders will definitely be considering how they can make a positive impact on this tragic reality, and arts and culture organizations can offer a powerful alternative strategy, as Scott alludes to in her post.

7. Improving mental health

Few funders will push back against the idea that the arts can improve mental and emotional well-being. The research is clear on this point. Now, however, fundraisers are navigating a space where, as of January, about 4 in 10 adults in the U.S. have reported symptoms of
anxiety or depressive disorder, a share that is up from one in 10 adults who reported these symptoms from January to June 2019, according to a Henry J. Kaiser Family Foundation (KFF) survey.

Researchers are concerned about the long-term impact on people’s mental health. “In the best of times, there is untreated mental illness,” said Susan Borja, the chief of the National Institute of Mental Health’s (NIMH) Dimensional Traumatic Stress Research Program. “Even a small increase in the rates of people with new or worsening mental illness is going to be a problem.”

Like many other researchers, Borja is especially worried about communities that were disproportionately affected by the crisis, including LGBTQ+ people and Black, Latino, and Indigenous people. “They suffered from the pandemic the worst, and they are likely to have the longest tail of this,” she said.

This is yet another area where grantmakers are going to be eager to soften the blow, and lately, IP has been tracking how mental health, long overlooked by philanthropy, is beginning to gain momentum as a funding priority. Arts and culture organizations shouldn’t underestimate or undersell the potential impact they can have on this problem, and can point to clear pre-pandemic research to support the argument.

***

The seven-point list MacKenzie Scott includes in her latest grant announcement largely reflects trends and arguments that have been swirling around in the arts funding space for years. But these concerns among grantmakers—and critical needs that arts nonprofits can meet—are more important than ever in 2021, and will be key forces shaping giving in the months and years to come.