

VALUE FOR MONEY

Galleries throughout the UK turn to crowdfunding

This summer in the UK, it seemed as though each day brought news of yet another art-related crowdfunding campaign. Entrepreneurial young artists asked for cash to make new work, while several publicly funded galleries declared that their projects with blue-chip artists wouldn't happen unless we pledged our pocket money to the cause. Everyone was at it: the Jerwood Gallery in Hastings collaborated with the Art Fund, a major British charity for the arts, to seek £25,000 for an exhibition of new work by the Chapman Brothers. Gallerist Sadie Coles circulated news of her artist Marvin Gaye Chetwynd's forthcoming film, *Hermito's Children 2*, for which London's Studio Voltaire led a £5,000 crowdfunding campaign. The proliferation of these initiatives plays into the growing economy of 'like', and a market stimulated by the rise of social media and online shopping. Fundraisers create incentives for donors, usually small prints or other objects perceived to have some value above and beyond the satisfaction of supporting a good cause. The popularity of crowdfunding, however, also signals a change in the way artists and arts organizations in the UK are responding to an increasing need to generate diverse streams of income. This is a relatively new development in a country where private philanthropy has historically accounted for only a small part of arts investment.

Crowdfunding is flourishing because annual cuts in national and local government support for the arts have put many activities under strain. The 2013 Arts Index showed that local government funding had fallen by 19 percent over three years – a significant decrease in a short period. Beyond this revenue stream, artists and institutions in the UK can seek public financial support from the Arts Council, which announced its three-year funding plan on 1 July. While the overall amount given to organizations receiving guaranteed regular funding from Arts Council England – otherwise known as its 'National Portfolio' – has only slightly fallen (from £350m per year in 2012–15 to £340m for 2015–18), there has been a significant change in the proportion of funding coming from the National Lottery, as opposed to money coming directly from Treasury. The Arts Council's decision to replace state funds with Lottery money has received significant criticism from academics and arts professionals, with the National Campaign for the Arts warning that 'lottery income [...] is no longer icing – it's cake.'

Debates around Lottery cash notwithstanding, the fact remains that national and local funding for the arts is in decline at a time when there is increased public interest in them as well as government ambitions for the creative industries to buoy up the economy in the long term. For the past four years, the UK has been under the leadership of a Conservative – Liberal Democrat coalition. Culture Minister Ed Vaizey has repeatedly declared that – as in the US – UK arts organizations need to encourage philanthropy and private support. But, according to Sir John Tusa, former managing director of the BBC World Service and the Barbican Arts Centre, this goes against 'the "English" funding model based on the tripod of funding from the box office, donors and the public purse, [which] is accountable, efficient and democratic.' In a comment published by the Guardian newspaper on the day of the Arts Council's National Portfolio announcements, he said that the government 'must stop flirting with the myth that the "American" model of funding is in any way superior for the arts or society'. Business donations in the UK often account for a small part of overall funding. Dave O'Brien, a lecturer in Cultural and Creative Industries at City University London, told me that 'business sponsors are very open about their dislike of offering core funding, so sponsorships simply won't cover that. Activities such as crowdsourcing should be seen in the same way.' His view of the current political situation is stark and he warned me that: 'The coalition still has no policy beyond cutting the budget for investment in the arts at central and local government level.'

But the reality is that ambitious start-ups in the UK, which may in future be included in the Arts Council's National Portfolio, are by necessity already moving away from the tripod model and piecing together budgets from various income streams. In addition to crowdfunding, they are increasingly turning to commercial activities such as selling work, renting studio space and charging for events. On the slicker end of such initiatives was the second 'paddles on!' sale of digital art, held at Phillips auction house in London in collaboration with Tumblr, in early July. Artists and galleries received 100 percent of the sale

profits, while a portion of the Buyer's Premium was donated to Opening Times, a new London-based not-for-profit online commissioning agency. The gift is significant for the agency's activities. Rhys Coren, an artist and co-founder, explained that 'the donation could go as far as funding ten artist commissions'. Rózsa Farkas, director of Arcadia Missa, a gallery, publishing house and studio complex in south London, and also a partner in the auction, told me that it was 'a vital fundraiser. The reality is you need ever-more match funding to receive anything at all.' She went on to explain that mixed-stream funding is now the norm and that 'Arcadia Missa has a commercial arm that enables us to do ambitious and not particularly saleable projects, and to have an autonomous programme.' But auctions can be a mixed blessing for artists. Financial transactions at auction are public, making the success or failure of a sale open for all to see. One artist whose work sold in 'paddles on!' told me that she considered the auction both a blessing, because her work enjoyed the exposure of the sale, and a curse, as it consisted of a financial valuation and public evaluation of her practice.

Many artist-led, independent organizations are started by people who are happy to give their time and work for free – at first. But this kind of gift economy is seldom sustainable and curators sometimes have to embrace commercial activities. Last winter, Eastside Projects in Birmingham was the site of 'Trade Show', an extensive project exploring not-only-for-profit models through various forms of exchange, including an attempt to gather in one shop all the artist editions currently on sale in the UK. Artist Gavin Wade, who set up Eastside Projects in 2008, told me about **the importance of fostering relationships between makers and consumers of culture: 'The dream is that we support artists and publics and they support us. It is a mutually beneficial system that has to include as many ways of trading, distributing and exchanging as is available to artists all around the world.'**

Even though several organizations have been dropped from the new National Portfolio and some councils, such as Westminster City Council, have entirely cut their arts budgets, arts funding in the UK has not yet reached a crisis point. There are hundreds of healthy and productive groups supporting artists in creative and innovative ways. The way forward will depend on how funders, artists and administrators assess and respond to different forms of value: economic, cultural, social and artistic, among others. The Treasury is interested in the bottom line, while cultural institutions tend to be more concerned with a complex set of abstract values. The government recently boasted that the creative industries account for six percent of the UK's GDP, and this figure is set to rise. But it needs to consider qualitative arguments as well as quantitative ones when evaluating successes and failures. Artists and grassroots arts spaces are laboratories for research and development, benefiting the cultural sector and the economy as a whole. Sustainability and resilience – Arts Council buzzwords – are good, but they are not enough. The experiments and ambitions of small independent arts initiatives should serve as inspiration for more generous and creative funding streams coming directly from government, so that the arts can really thrive.

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