This is the published version:


Available from Deakin Research Online:

http://hdl.handle.net/10536/DRO/DU:30032784

Reproduced with the kind permission of the copyright owner

Copyright : 2005, Social Responsibility Research Network (SRRNet)
Art in the Boardroom: Questioning the Ethics of Corporate Collecting Practices

Garrick Van Dyk, Jennifer Milam, Cindy Davids & Gordon Boyce

Introduction

Historically, funding for art in the West has been dominated by the patronage of powerful social and political institutions. Today, as corporations become increasingly prominent in society, displacing the position of Church, prince and state, they also assume a greater role as patrons, sponsors and collectors, of art. Cathedrals have been symbolically replaced by skyscrapers adorned with corporate brands; palace gardens have given way to modern industrial parks; the semi-public space of Court has been superseded by public spaces built through corporate sponsorship; and the forging of national patrimony through legislated acquisition mandates are now paralleled by the establishment of corporate cultural identity through highly publicized art purchases.

This paper considers different forms of corporate interaction with the arts, including sponsorship, patronage and corporate collecting. The corporate economics of supporting the arts may alternatively involve its interpretation as a marketing expense, as a strategic device to generate a beneficial taxation position, or as an asset-building strategy. These interpretations may reflect the self-interest of the corporation, but may also be interpreted as fulfillment of society's expectation of a socially responsible corporate citizen-the corporation as benefactor, reinvesting a portion of its profits in society. The various roles of 'art in the boardroom' differ in their nature and effects, but they may all be understood as manifestations of a transformation of art patronage from an historical symbol of magnificence to a more contemporary role as an example of munificence and corporate social responsibility.

Corporate Sponsorship

On a recent visit to the High Museum of Art in Atlanta the specter of corporate sponsorship was ever-present to the attuned eye. Starbucks, the multi-national coffee house, was the principal sponsor of an exhibition of the modern African-American artist Romare Beardon; Delta Airlines and Lincoln fund various Jazz and cinema evenings; Target and Carter's (sellers and producers of children's goods) sponsor a weekly family day. These corporations benefit from the public perception of their goodwill and an identification of their products with the 'brand' characteristics of the event they sponsor. For example, in the "Sponsor Highlight" of the High Life magazine, Starbucks is presented as a company "committed to offering the highest quality of coffee and experience by conducting its business in ways that produce social, environmental, and economic benefits in communities where it does business", a claim that is given legitimacy by its publication in the museum serial. This is not placement without consequence when we reflect on the findings of a recent survey in America in which museums topped the list of public trust in the conveyance of information.

At the High Museum, corporate logos were on every brochure, every piece of public education, every advertisement, and many walls. Although always discreetly positioned-museum officials might even say they are 'tastefully' placed-corporate identity thus assumes a new symbiotic relationship to that of the work of art, artist and museum as a destination. Financial support is important because it makes art possible, but the source and method of funding can also influence the artistic process, the final product, and public perceptions of both (specifically through its display in spaces adorned with corporate logos).

Corporate Patronage

Corporate involvement in the arts may be difficult to separate from the wider economic and political interests of the sponsoring corporation. For example, in 1994 Philip Morris threatened to move its corporate headquarters from New York City in response to the proposed City ban on smoking in public places. This move would mean that the city would lose not only jobs and tax revenue, but also funding for the arts. Organizations that had received funding from Philip Morris were reportedly asked by the company to lobby the City Council Speaker, who had proposed the legislation, alerting him that Philip Morris would withdraw funding if the bill were passed. In its defence against charges of extortionist tactics, Philip Morris stated that a fund-raising firm trying to rally support from a number of arts institutions and organizations was responsible for the efforts, unprompted by the company. Linking public economic interests such as tax revenue and jobs with corporate interests is not new, but the increasing presence of corporate funding and the growing influence on cultural institutions to further corporate agendas raise questions about the ability of arts organizations to remain independent and true to their stated public missions.

Philip Morris is not merely a leader in funding the arts. Its corporate headquarters in New York City is also home to the Whitney Museum of American Art at Philip Morris. The corporation enjoys the cultural cachet of hosting a museum in its lobby, helping to promote general goodwill and establish its brand identity with their targeted market
audience within the universe of museum-goers. In addition the corporation enjoys a zoning concession by providing a public amenity, tax deductions related to expenses from running the museum, and a lower assessed value for the building resulting in lower real estate taxes. The corporate-museum presence, however, means that this public space is much more tightly controlled than a simple atrium.

On the other side of the alliance, the museum enjoys an additional exhibition space, allowing it to show more art to more people. Whether or not the museum can exhibit whatever it wants in this space is questionable. Both the Whitney and Philip Morris would maintain that the museum is free to make its own decisions regarding content. But what is the likelihood that art containing images negative to the company would be welcome? The relationship is symbiotic, but the two parties do not profit equally—the corporation as controlling economic entity enjoys an asymmetrical advantage. Their strategic alliance accrues both to their economic and public relations benefit, while the museum has permitted its curatorial independence to be called into question. The corporation has economic control over the space, and even if unspoken, the potential for intervention impacts viewers as part of their experience in the corporate-museum franchise.

This is exactly the situation that occurred in the early 1970s, with the Guggenheim museum’s cancellation of an exhibition of Hans Haacke’s work. Haacke is a contemporary artist whose work is engaged with social and political critique in visual form. The position taken by the Guggenheim was that Haacke’s work was not art, but social commentary (a rather outrageous distinction for a museum that specializes in modern and contemporary art). Haacke used this as an opportunity to explore the ethically questionable professional and corporate practices of prominent members of the Guggenheim board in his show Unfinished Business at the Museum of Contemporary Art in New York.

Indirect Corporate Involvement

There is a more complicated relationship between artists who refuse any sponsorship (private, public or corporate) of their works in their efforts to have an independent, critical voice. Haacke is one of these artists, and so is the team of Christo and Jeanne-Claude. Consider the example of Christo and Jeanne-Claude’s The Gates, Central Park, New York, 1979-2005, on view in February 2005. For decades, Christo and Jeanne-Claude have eschewed corporate, public and private sponsorship of their large-scale public art installations and The Gates is no exception. The US$20m installation cost was raised by the artists through the sale of preliminary drawings, sketches, collages, and photographs, as well as the sale of art objects produced in previous years. The art is conceptual—a temporary transformation of public space—imprinting a visual memory of the installation on those who viewed it. The Gates were removed after 16 days, but the memory remains. This ‘art’ attempts to defy ownership, because it existed in a public place and only for a short period of time. Christo and Jeanne-Claude have emphasized the need for the art to be independent of any kind of obligations.

There are, for example, no volunteers, so the artists are beholden to no one—no sponsor, no individual, no government, no cultural institution ultimately controlling the completed work. But is this utopian aim truly possible? We would argue that it is not, particularly in the mind of the ‘public’ viewer, who responds not only to the work of art itself, but also to references to that work of art outside of the first-hand experience of the installation.

Previously Christo and Jeanne-Claude have not licensed the marketing of their intellectual property; however in this case they allowed a licensing agreement with Nurture New York’s Nature (NNYN), a not-for-profit corporation “dedicated to creating public awareness of the importance of nurturing New York’s nature for the health and well being of the City’s inhabitants”. Deutsche Bank, as a founding sponsor contributed $250,000 to establish NNYN and placed a full-page ad in the New York Times to celebrate the opening of the installation. Even though Deutsche Bank was not a sponsor of The Gates or Christo and Jeanne Claude, they linked their name with The Gates and the artists. In this way, Deutsche Bank associated itself not only with the not-for-profit it helped establish, but also with the art and the artists. Christo and Jeanne-Claude’s rejection of sponsorship did not prevent Deutsche Bank from projecting its identity into the mind of viewers, transforming the visual memory of the art where it ultimately resides.

Effects on Curatorial Independence

Contemporary and avant-garde art exhibitions are lightning rods for controversy, but normally the debate centres around the content of the show, not questions of ethics or conflicts of interest. There was controversial art in Sensation: Young British Artists from the Saatchi collection exhibited at the Brooklyn Museum of Art in New York City in 1999 (notably Chris Ofili’s Virgin Mary, with elephant dung), but the initial uproar over content was eclipsed by the questionable practices employed in putting on the show. Sensation exhibited contemporary works from the collection of Charles Saatchi, who was also the show’s largest sponsor, and the controlling curator of both the content and the display of the collection. The Brooklyn Museum of Art did not disclose Saatchi’s financial role, at his request, nor did it disclose his unusually large curatorial role. Saatchi stood to profit as his collection gained
value from the exposure the exhibition brought, as did another sponsor, Christie's auction house. His overlapping roles as owner of the collection, leading financial sponsor, and curator raised serious questions about the conflicting interests of self-promotion for economic benefit and cultural benefit from the exhibition of contemporary art. The American Association of Museums was prompted by the situation to issue new ethical guidelines for museums when borrowing objects and involving sponsors. The National Gallery of Australia went a step further, and cancelled the show after reviewing information about the exhibition, which it "deemed untenable". The cancellation was a difficult public relations exercise, as the NGA was wrongly accused in the press of cancelling the show due to its controversial content.

Corporate Collecting Practices

For artists whose works are bought by corporations, a degree of control over the meaning and purpose of the art is inevitably passed to the corporate entity, whatever the intentions of the original artist. More broadly, corporate collecting practices can have significant effects on the availability of works for public display and access. Corporate interaction with the arts in Australia has led to significant private collections held by corporate entities and their executives. The existence of significant private collections remains largely unknown and unacknowledged publicly and their value is largely undocumented. The art is not publicly available as it is often hidden behind the doors of banks, law firms, stockbrokers, and a range of successful corporations. The works are on view usually only to a select few executives, employees, and valued clients.

The perceived public relations value of acquiring major works is evident when they are placed on display in the foyers of major corporate headquarters, although the significance of the art may be lost on those who pass through with other purposes in mind. Nevertheless, corporate art may serve a more instrumental purpose—for example, law firms may use art to lighten the atmosphere of otherwise serious places, to place clients at ease, or as a conversation starter with a new client. Australia's Macquarie Bank—an investment bank known as the "millionaire factory"—hangs art in the public spaces of all its branches. This was a policy initiated when the bank was established, in order to signal the vitality of the new company. Corporate art collecting practices can be used to symbolise a company's commitment to indigenous or local art, to attempt to make a business appear young and dynamic, or may be used to create an ambience that generates a stimulating workplace environment.

The private collections of many corporate chief executive officers and leading stockbrokers are on view only to an even more select group of family and friends (and clients) inside their homes. There is, of course, nothing new in this, although the financing of the acquisition of multimillion dollar art collections has come into question. When the purchase and display of corporate art is principally for private gratification, at some point questions of ownership of the asset may come into play. This was the case when prominent entrepreneur Alan Bond was prosecuted in relation to the acquisition of Manet's La Promenade.

In Australia, the public relations value of corporate collecting and sponsorship has not gone unnoticed. Wesfarmers corporation, for instance, has funded a national touring exhibition of 60 pieces from its 500-strong holding, entitled Sublime: 25 Years of the Wesfarmers Collection of Australian Art. Wesfarmers started as a cooperative farming enterprise but is now a diversified industrial conglomerate which is ranked as having the second most valuable corporate collection in Australia. Other corporations and individuals sometimes lend particular pieces to galleries and museums, and some private collectors have established galleries in their own names.

Corporate collecting practices are often driven by the interests of an individual chief executive. Collections may be justified on the basis of their investment value, although such speculative investment is often officially eschewed, even though the financial value of collections may be significant. Individual executives and their private curatorial teams may be committed to corporate art collections, but following mergers and acquisitions, changes in board philosophy, or if the corporation gets into financial difficulty, corporate art collections may be disposed of. In these circumstances, the art tends to circulate around the hands of prominent private collectors. For example, following the financial collapse of Bond Corporation, the subsequent fire sale of the collection saw several major acquisitions go to prominent private and corporate collectors, although the Getty Museum in Los Angeles acquired Van Gogh's Irises. Some works may be donated to public galleries and arts institutions, thus becoming available to a wider audience (and yielding a tax benefit for the donating corporation), but most end up in private collections.

Corporate collecting practices are clearly significant in enlivening the market for major works of art, and this may have a positive effect in terms of highlighting to the wider community the value of art. However, the principal beneficiaries are a range of private interests and art markets often treat art as a commodity that can be traded in by a select few. The financial beneficiaries of art's value do not necessarily include the original artist, although a reputation effect may be positive (if the artist is still living).
Discussion and Conclusions

The boundaries delineating appropriate roles for museums, sponsors, and the commercial art world have ceased to be sharply defined. In the contemporary environment, museums act like multinational corporations with branch offices, corporations house museums, and many individuals speculate in the commercial value of art. Without greater attention to these shifting roles, it is likely that commerce and culture will become indistinguishable.

Is corporate sponsorship of the arts a bad thing? Not necessarily, but it is problematic and fraught with questions of censorship, autonomy and the impact of intervention on the artistic process and the viewing experience. Public sector funding is not available to meet the demands of cultural institutions and programs, so without other sources, the arts would suffer. Corporations must, however, be aware that their economic power demands responsibility in its application. The goodwill of the public in general, and the targeted audience of corporate marketing, can easily be negated when corporations overstep boundaries by exerting undue influence. The potential for a backlash is great-consider the negative publicity of demonstrations against globalization directed against corporations who manipulate cultural institutions. The arts require funding and other forms of interaction with the corporate sector, but the impact on art and on the public must be considered when corporations make demands on artists and museums.

Notes

For the most recent studies of corporate intervention in the arts, see Mark W. Rectanus, Culture Incorporated. Museums, Artists, and Corporate Sponsorships (Minneapolis and London: University of Minnesota Press, 2002) and Chin-ťao Wu, Privatising Culture. Corporate Art Intervention since the 1980s (New York and London: Verso, 2002).


Christo and Jeanne-Claude's funding strategies have been detailed in Jutta Lehmer, "Die Kunst der Finanzierung", Berliner Zeitung, 1 July 1995 and referenced in Rectanus, op cit., 162-3.


See Janet Hawley, "Hangings in the boardroom" The Age-Good Weekend, 5 February 2005, 16-22. In some senses, corporate collections of Australian art (indigenous and non-indigenous) are used to signal a sense of national commitment that, in Australia, has also been reflected on a broader cultural level with a revival of the popularity of Australian films, books, wine, and even convict roots. Some of the public relations value of BHP Billiton's new collection of contemporary Australian art may inhere in a public signal of Australianness following the merger of the corporation formerly known as "Australia's BHP" with UK-based Billiton.


Hawley, loc cit.

See Peter Fish "Going hammer and tongs." Sydney Morning Herald (21 August 2004). See also Hawley, loc cit. See, for example, a report of the auction of the Fosters Brewing Group art collection in Sunanda Creagh, "Prized Streeton the shining light of greatest hits auction" Sydney Morning Herald (12 May 2005, 9).