

# Economic crisis devastates museums across the US

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The economic crisis has had a devastating impact on art, historical and science museums in the United States. Beginning in late 2008, public and private museums began laying-off staff, cutting wages, reducing hours, and, in some cases, closing altogether.

The causes have been shrinking museum endowments, a decrease in donations, and cuts in public funding. Ford Bell, president of the American Association for Museums, speaking recently to *USA Today*, described the losses in these three largest funding sources as a “triple whammy” for museums.

“Museum attendance is very, very strong,” he said, “but unfortunately, attendance doesn’t provide a big chunk of the income.”

Museum endowments, which can range from a few hundred thousand dollars for smaller institutions to billions for big museums, are routinely invested on the stock market and have suffered with the financial collapse.

The Getty Museum in Los Angeles, for instance, America’s wealthiest art museum, has seen a 27 percent drop in its endowment to \$4.2 billion. In April it announced it would lay off 97 staff members, freeze salary increases, and impose wage cuts of 6 percent for senior staff.

In another notable case, the Metropolitan Museum of Art in New York City has lost an estimated \$800 million since the financial crisis erupted last year, or about 28 percent of its endowment. After March it laid off 127 retail employees at its satellite stores around the country, and in June began laying off 74 New York employees and giving 95 others optional retirement packages.

New York’s Guggenheim Museum, whose endowment has dropped 18 percent to about \$113 million, has also announced that it will eliminate 25 positions and freeze hiring.

State and local budget cuts have also had a huge impact on cultural institutions. Particularly hard hit have been local and regional museums, ranging from those affiliated to state universities and colleges to those run by historical societies, which get much of their funding from states.

The Pennsylvania state budget, for example, has been at an impasse because of a dispute between Democrats and Republicans on what to cut from the budget due to the serious shortfall in state revenue. This has forced the Pennsylvania Historical and Museum Commission to close the Fort Pitt Museum in Pittsburgh, a historical site of the French and Indian War, and the Bushy Run Battlefield Museum in Westmoreland County. Other museums have closed statewide and furloughed their staffs, with some being operated by volunteers.

Other institutions depend on donations from philanthropic institutions, wealthy individuals, or directly from corporations. The Queens Museum in New York lost funding when one of the main contributors invested with Bernard Madoff and his Ponzi scheme.

A recent report cited by the Corporate Social Responsibility Newswire notes a fundamental shift away from cash giving by corporations to nonprofit institutions, which includes many museums. “Now, halfway through 2009, 52 percent of corporations and 47 percent of corporate foundations are reporting actual declines” in charitable giving, according to the report.

The report notes that 35 percent of professionals surveyed in the field of philanthropy considered a drop in total corporate grants to be one of the top issues they had encountered. Significantly, 46 percent said that a top issue was corporations’ emphasis on partnerships with nonprofits rather than outright donations. In other words, the super-rich are using the economic crisis to increase their hold on a whole range of philanthropic, charitable, and community institutions.

In particular, the process of corporate control over cultural life has been accelerated. The *New York Times* noted in a recent article that corporations are using the economic strain on museums to package and loan their art collections to museums as shows. This means that the curatorial work of selecting and presenting pieces for such a show is done by corporate employees, not by representatives of the museum. In addition, in many cases a museum show can heighten the

prestige—and the dollar value—of a corporate collection of artwork.

The damage to museums and their employees has affected all regions of the United States:

The Whitney Museum of American Art in New York cut eight positions, both full- and part-time, this summer, including a senior lecturer, a gifts officer and a curator.

The Soccer Hall of Fame in Oneonta, New York, will close soon. Jonathan Ullman, the institution's president, told WBNG-TV, "People are not making the donations that they necessarily would in better times." The closure will not only mean job losses and the lack of access to the unique library and archive, but that local soccer teams would not be able to play at the institution's fields.

In March, 33 members of the staff at the Museum of Fine Arts in Boston lost their jobs after the museum recorded a 30 percent drop in its endowment. Most of these were workers in the retail and fundraising departments.

The Bead Museum in Washington, DC, closed in December last year. Its Web site cites as a reason "the mounting cost of operating the museum in the current fiscal climate."

The Walters Art Museum in Baltimore, Maryland, laid-off seven staff members in February, initiated a salary freeze and furloughed staff. It has closed its Hackerman House annex on weekdays. The museum cited a 27 percent decline in its endowment as the cause of these cuts.

Also in February, Atlanta's High Museum of Art cut its staff's wages across the board by 5 percent and furloughed them for two weeks. Seven percent of staff lost their jobs.

The new Taubman Museum of Art in Roanoke, Virginia, has cut 5 of its 33 staff members.

The Philadelphia Art Museum has laid-off 30 members of its 420-person staff.

In February, the Detroit Institute of the Arts laid-off nearly 20 percent of its staff due to budget shortfalls.

The Akron Museum of Art laid-off 4 of its 25 full-time employees and cut its hours from six to five days a week. In a statement, director Mitchell Kahan noted, "Declining corporate gifts and foundation endowments are the reality we're dealing with."

Last month, the Cleveland Museum of Art announced that it would lay-off 14 of its 300-member staff. Its endowment has fallen from \$821 million in 2007 to \$510 million in March. Senior staff took pay cuts in May.

In Cincinnati, the Cincinnati Art Museum laid-off seven employees. The city's Contemporary Art Center and the National Underground Railroad Center have also reduced staff.

In June the Art Institute of Chicago announced that it would lay-off 22 employees, freeze salaries and impose

furloughs. It will also reduce the hours of its libraries, and has increased the cost of admission from \$12 to \$18.

The Field Museum in Chicago has seen a 30 percent drop in its endowment. It laid-off 14 staff last year and cut the pay of some of its leading personnel. The decline in revenue was a part of its decision to cancel an exhibition this fall devoted to Lucy, the famous 3.2 million year old early hominin fossil from East Africa.

Last week the Missouri Botanical Garden in St. Louis announced that it would reduce its employees' wages by 3 to 5 percent after losing over 30 percent of the income from its \$3 million endowment.

The Las Vegas Art Museum closed in February because of a funding crisis. It had operated since 1974.

The Museum of Contemporary Art in Los Angeles eliminated 16 full-time and 16 part-time jobs in January and has temporarily shut down its Geffen Contemporary in Little Tokyo.

The Fresno Art Museum announced in August that will be cutting back an undetermined number of its 15 employees as it slashes its budget by a third.

The Portland Art Museum in Oregon, which has seen its endowment slip to \$34 million from \$46.5 million a year ago, has laid-off five full-time staff workers and imposed a week-long furlough for the remaining staff.

The nearby Oregon History Museum eliminated 15 of its 45 full-time jobs in March "because of a combination of decreased state funding, falling endowment, and a hostile foundation and individual giving environment," according to the *Oregonian*.

The Oregon Museum of Science and Industry, also in Portland, laid-off 20 museum workers in last year.

While the capitalist crisis has thrown hundreds of museum workers out of work and forced thousands more to subsist on less, it has also degraded the cultural rights of millions of ordinary people. The ability to visit a nearby and affordable museum with a well maintained collection, administered relatively free of direct corporate influence, has become less and less possible in the last year. Also harmed is the scholarly study of art and material artifacts that takes place at many museums.



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