

End the National Endowment for the Arts

BY RYAN BOURNE

The Department of Government Efficiency (DOGE) aims to cut federal spending and shutter superfluous government agencies. An obvious target for elimination, with support from Congress, would be the National Endowment for the Arts (NEA).

The NEA provides grants to museums, symphony orchestras, dance companies, theater groups, literary organizations, and state and regional arts agencies through small-scale funding under the banner of expanding public engagement with the arts.

Its grants support everything from performing arts productions and educational initiatives to community-based cultural projects. While individual artists remain largely ineligible for direct funding, the NEA subsidizes arts institutions, nonprofit organizations, and state agencies that align with its evolving priorities.

The NEA's total budget might be "only" \$207 million in 2024.¹ Yet there is no robust argument on constitutional or economic grounds for the NEA to exist. Great art can be

created without the NEA, which distorts and politicizes artistic endeavors, crowds out private and charitable giving, forces taxpayers to fund projects they object to after diverting money to its bureaucracy, and redistributes resources toward the tastes of the relatively affluent.

CONTEXT

The National Endowment for the Arts (NEA) was born in 1965 out of President Lyndon B. Johnson's Great Society agenda, under the National Foundation on the Arts and the Humanities Act. Its founding objectives in subsidizing art were sweeping but vague; they included supporting artistic excellence, increasing access, strengthening the country's cultural infrastructure, and boosting national heritage.

The overarching principle was clear: Art matters, and as such, taxpayers should be forced to pay for it. As Johnson put it, "Art is a nation's most precious heritage. . . . Where there is no vision, the people perish."²

Art is undoubtedly important to human well-being. Yet



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the power to subsidize art cannot be found clearly within the powers enumerated to the federal government under the Constitution. What's more, none of the arguments for direct government art subsidies hold up under basic scrutiny.

Any agency with such amorphous and ill-defined goals was bound to spark controversy. Over time, political pressure has seen the NEA's priorities change. In the 1980s and 1990s, outrage over provocative taxpayer-funded art led to funding cuts and a ban on direct grants to most individual artists.³ After increases in real terms, the rate of growth of the NEA's budget stagnated and then declined.⁴

By the 2000s, the NEA's focus shifted toward community-based and educational programs, with less support for avant-garde experimental work. More recently, the NEA has supported projects that ostensibly advance economic development and diversity and inclusion goals, through public-private funding models whereby "experts" select projects for grants matched by the private sector.⁵

The shapeshifting of the NEA's approach reflects not just that art inevitably gets politicized when funded by government, but also that the underlying case for subsidizing it is weak. As a result, defunding the NEA has been attempted multiple times, most notably by former President Ronald Reagan, former House Speaker Newt Gingrich, and President Donald Trump during his first term. Each time, bipartisan resistance in Congress kept the NEA alive.⁶

The NEA's defenders typically frame the organization as crucial for access to the arts, economic growth, and providing "culture" to areas of the country deemed to lack it. Yet despite all the myriad justifications, none of these arguments stand up.

GREAT ART DOESN'T NEED SUBSIDIES

Art can survive and thrive without public funding. The US arts and cultural sector contributed \$1.1 trillion to the economy in real value added in 2022, accounting for 4.3 percent of GDP.⁷ Private philanthropy alone injected over \$23.5 billion into the sector in 2023, with individuals, corporations, and foundations funding everything from local theater productions to world-class museums.⁸

This shows strong demand for the arts, and that great art flourishes without being dependent on federal financing. Hollywood, the most successful film industry in the world,

was built through studio financing, ticket sales, and private backers, producing classics like *Gone with the Wind*, *The Godfather*, and others without taxpayer support.

Broadway operates on the same model, with hit productions relying on ticket revenue and private investors.⁹ Institutions such as the Metropolitan Opera, the Chicago Symphony Orchestra, and the J. Paul Getty Museum thrive primarily through endowments, private donations, and memberships, proving that world-class art institutions don't need the NEA to stay afloat.

The same is true in literature, music, and fine art. Mark Twain, F. Scott Fitzgerald, and Ernest Hemingway became literary icons through private publishing and audience demand, while J. K. Rowling's Harry Potter series, initially rejected by multiple publishers, became a global empire without public funding.¹⁰ The greatest musical movements—jazz, rock, and country—were born out of grassroots communities and independent labels.

The NEA highlights its role in fostering the careers of prominent artists, notably composer John Adams.¹¹ Adams received early support from the NEA, which was pivotal in his development as a composer. He later achieved significant acclaim, winning a Pulitzer Prize in 2003 for his composition *On the Transmigration of Souls*.¹²

But given the NEA has distributed over \$5 billion throughout its existence, there were always bound to be some identifiable successes. That doesn't mean that public funding is *necessary* for great art. Historically, Michelangelo, Leonardo da Vinci, Shakespeare, and Beethoven were supported by private patrons, religious institutions, and ticket-paying audiences—not government grants. In the United States, Georgia O'Keeffe, Andy Warhol, and others owed much of their success to private patronage. Now that the NEA doesn't fund individual artists (outside of literature fellowships), the idea that it can "pick winners," in any case, relies on heroic assumptions about how grants to institutions may inspire or provide opportunities for future top artists.

ART HAS NEVER BEEN MORE ACCESSIBLE

Does art require government subsidy to ensure access? On the supply side, modern technology has made art more accessible than ever. YouTube, Spotify, Netflix, and numerous

other platforms bring music, film, and other types of performances to billions at low cost; crowdfunding platforms such as Patreon and Kickstarter let fans fund artistic projects; and social media gives painters, writers, and designers an unprecedented platform to reach global audiences.

AI and digital tools are further lowering barriers to creation, allowing independent artists to produce high-quality content on a shoestring budget. According to one estimate, more music is now produced in a single day than in all of 1989.¹³ Extensive private philanthropy supports accessibility programs for those in need.

In 2012, the NEA conducted a survey examining why interested people didn't have access to the arts. It found that only 13 percent of the public—one in seven people—wanted to go to a performance or exhibition but opted not to. Of those, just over 38 percent said they didn't go because the total cost was too high.¹⁴ In all, then, just 5 percent of the population were put off from attending an art event because of the cost of access.

Since then, technological change has broadened access to art through digital consumption. At this point, there's no credible argument that the arts need public subsidies either to survive or to ensure broad access. If art is popular, it doesn't need a subsidy—it thrives on its own. If art cannot find an audience willing to fund it, you need a better reason for taxpayers to be forced to fund it than "access."

ART IS NOT A PUBLIC GOOD

Economists often justify government subsidies on the grounds of "market failure." Some goods, such as national defense and various forms of infrastructure, are deemed "public goods" because they are non-rivalrous (one person's use doesn't diminish another's) and non-excludable (available to all without restriction). In theory, such goods will be underprovided in the private sector because of the free-rider problem.

Art doesn't meet these criteria. Most art is excludable. Museums can charge admission fees, and theaters and dance companies sell tickets. If you don't pay for a Broadway show, you don't see it. Even public murals or free exhibitions are often supported by private donations, corporate sponsorships, or voluntary contributions, meaning they don't require universal taxpayer funding to exist.

In-person art is also rivalrous. A ticket to the Metropolitan

Opera or a Broadway show is limited—when one person buys it, another cannot. Digital reproduction (streaming, digital art, music downloads) does allow for much non-rivalrous consumption, but these platforms clearly exist already through market pricing and private investment.

ART IS NOT OBVIOUSLY A MERIT GOOD

Some argue that art subsidies are justified because art has "merit good" characteristics. Put differently, art has positive spillovers such as fostering creativity, creating a national cultural identity, and enhancing social cohesion, meaning it would be underconsumed by the public if left to private decisionmaking, because individuals wouldn't sufficiently consider these broader benefits.

It's difficult to see how the NEA's small-scale grants could achieve such lofty goals, nor is there much evidence that the NEA is currently achieving them. One must only look at the politically polarizing debate over historical government statues to see how public art can create division rather than heal it.

Unlike education or vaccination, where the social benefits are widely shared and measurable, the supposed positive externalities of the arts are highly subjective and diffuse. The value of a symphony, mural, or experimental theater piece depends almost entirely on individual taste. What inspires one person may bore or offend another. There's no proof these supposed benefits boost public welfare or productivity—and no good reason taxpayers should be forced to fund art they don't value.

Most merit-good arguments therefore amount to a rank paternalism—of worthies thinking they know better what the little people need and how to spend their money. There may well be benefits to future generations that come from preserving certain art forms for posterity. Yet that narrower goal could be achieved mainly through private giving to museums, which Americans have proven more than willing to engage in.

ART SUBSIDIES DON'T PRODUCE HUGE ECONOMIC MULTIPLIERS

Those involved in the arts sometimes make wild claims about the economic benefits of NEA funding. The NEA itself has said its grants provide a "significant return on

investment of federal dollars with \$1 of NEA direct funding leveraging up to \$9 in private and other public funds.”¹⁵ This implies a massive government multiplier to the “cultural economy,” perhaps because of the benefits of the signal provided by getting NEA’s seal of approval.

Technocratic arts policy researchers recognize, however, that the NEA’s “\$1 = \$9” leverage statistic “has no basis in evidence.”¹⁶ It assumes that none of the matching funds from private donors would exist without federal seed money, which is false in most cases. In fact, Createquity says that nonstate money is usually already committed, meaning it is the NEA that makes the match.

Public funding for the arts obviously has an opportunity cost: Those funds could be invested in other infrastructure or returned to taxpayers for private spending. There is nothing magical about art that makes it more economically valuable than alternative uses of the resources. The net effect of the subsidies is at best a redistribution of economic activity, not the creation of new activity. Given that the merit-good arguments for art subsidies are weak, the base expectation should be that subsidizing art is inefficient and thus a drag on the overall level of economic activity.

ARTS SUBSIDIES CROWD OUT PRIVATE ACTIVITY

Empirical research suggests that NEA grants do not reliably generate additional arts funding and often reduce private donations. Jane Dokko’s 2009 study on the 1994–95 NEA budget cuts found that private charitable contributions to the arts increased by roughly \$0.50 to \$1.00 for every \$1.00 cut from the NEA’s budget.¹⁷ When the government withdrew funding, private donors stepped in to replace most of it.

True, arts organizations had to devote more resources to fundraising, spending an estimated \$0.25 in additional fundraising expenses for every \$1.00 lost from government grants. Yet overall, the estimated degree of crowd-out suggests that government intervention is not essential for sustaining most arts institutions. In fact, having arts organizations cultivate voluntary support is surely a healthier long-term model, making them more responsive to audience demand rather than political patronage.

Francesca Borgonovi and Michael O’Hare examined in a 2004 paper how NEA funding influences private donations

to the arts. Their research focused on how NEA grants affect both individual organizations and the arts sector overall.¹⁸ They found that NEA grants did not generally induce additional private donations to individual organizations; at the sectoral level, there was likewise no significant relationship between NEA appropriations and overall private giving to the arts. However, the introduction of the NEA did appear to coincide with a decrease in private donations to the arts sector. Similarly, Arthur Brooks’ 2000 study found that government funding beyond a certain threshold tended to suppress private contributions, confirming the possibility of a crowding-out effect.¹⁹

As Tyler Cowen has said, “Once donors believe that government has accepted the responsibility for maintaining culture, they will be less willing to give.” A 2013 survey by Mirae Kim and Gregg Van Ryzin found that people said they would give less to organizations receiving government support.²⁰ Donors perceive publicly funded organizations as less in need of private contributions.

ARTS SUBSIDIES ARE INDUSTRIAL POLICY

Unlike a private patron or foundation, the NEA’s grants carry the federal government’s implicit endorsement. That means the government is steering culture. Cowen has argued that “the NEA attempts to create a mini-industrial policy for the arts. But governments have a terrible record for choosing future winners and losers, whether in business or the arts.”²¹

History shows that bureaucracies are ill-suited to predicting greatness or value; genuine cultural innovations often come from outsiders and risk-takers, not from committees. A reliance on government grant panels can foster conformity and mediocrity. Arts organizations are incentivized to tailor their proposals to fit whatever is likeliest to win NEA approval, rather than pursuing original ideas or controversial performances. Government subsidies could therefore “reduce choice and diversity in the artistic marketplace.”²²

A public agency, no matter how well-meaning, cannot replicate the decentralized diversity of a private marketplace and will inevitably favor the tastes of the appointed panelists and administrators. Indeed, privately funded orchestras in the UK are more artistically flexible than publicly

funded ones.²³ In principle, then, government funding can inadvertently ossify the arts by creating gatekeepers.

ART SUBSIDIES POLITICIZE ART

James Wolfensohn, a former chair of the Kennedy Center for the Performing Arts, once decried talk of abolishing the NEA, saying, “We should not allow [the arts] to become political.”²⁴ But, as the late David Boaz noted, it’s public subsidies that do that.²⁵ Government patronage makes funding open to the whims of political priorities. The NEA chair is a presidential appointee, and Congress controls its purse. Thus, art funding decisions can never be wholly divorced from political priorities or pressures.

We’ve seen this politicization in recent decades. In 2009, President Barack Obama’s White House was accused of trying to use the NEA to fund propaganda for the president.²⁶ Buffy Wicks, deputy director of the White House Office of Public Engagement, told NEA artists on a call that “we won” and “we’re going to come at you with some specific ‘asks’ here.”²⁷ Yosi Sergant, then NEA director of communications, urged artists to “pick something, whether it’s health care, education, the environment” as themes to throw their artistic creativity behind, to align with President Obama’s national service initiative.

More recently, the NEA canceled its Challenge America grants aimed at underserved communities amid President Trump’s administration’s crackdown on diversity, equity, and inclusion projects.²⁸ Instead, funds are reportedly being reallocated to patriotism-themed projects for the 250th anniversary of the signing of the Declaration of Independence.²⁹ The lesson is clear: As administrations change, so do the NEA’s funding priorities. And art groups that want federal cash are left to adapt or lose out.

The NEA’s dependence on taxpayers means it also must play politics itself to maintain its funding. It makes a big deal of the fact that it distributes grants to every congressional district, creating a broad coalition of lawmakers with a vested interest in preserving its budget. It tries to bolster that support by supporting state and regional arts councils in times of distress, such as after the Great Recession. Rather than directing resources based on artistic merit or true financial need, the NEA’s grant-making structure is thus politicized and political.

IT’S IMMORAL TO FORCE INDIVIDUALS TO FUND ART

Art is subjective. One person’s masterpiece is another’s outrage—or just a waste of money. Taxpayer-funded art therefore raises a freedom-of-conscience concern: Public money is used to support work that some citizens may find offensive, irrelevant, or politically charged. It’s one thing to tolerate art you dislike, but quite another to be forced to pay for it.

This issue exploded in the late 1980s, when the NEA helped fund Andres Serrano’s infamous *Piss Christ*—a photo of a crucifix submerged in urine.³⁰ In 1989, it came to light that Serrano had received a \$15,000 fellowship through an NEA-funded program. Senator Alfonse D’Amato (R-NY) denounced the piece as “a deplorable, despicable display of vulgarity,” and Senator Jesse Helms (R-NC) blasted the work as blasphemous, saying the artist “is not an artist, he is a jerk. . . . Let him be a jerk on his own time and with his own resources.”³¹ The controversy widened when Congress discovered an NEA-supported traveling exhibit of the late photographer Robert Mapplethorpe that included homoerotic and sadomasochistic images.

Under intense pressure, the NEA leadership canceled some grants, and Congress briefly withheld a token \$45,000 (the amount spent on the Serrano and Mapplethorpe projects) from the NEA’s fiscal year 1990 funding as a sign of disapproval. By 1990, a new statutory clause required the NEA to consider “general standards of decency” in its grant decisions, something many artists decried as censorship. The agency also stopped issuing grants directly to individual artists (aside from literature fellowships) to avoid future flare-ups. These reforms were intended to defuse controversy, but they also admitted hard truths: Government-funded art can’t ignore public sentiment, and tastes are highly subjective.

The NEA now funds smaller organizations and tamer projects, but the underlying problem hasn’t gone away. Republicans might inspect the list of 2025 grantees and identify individual projects they oppose as “woke nonsense” or “DEI.” For example, the NEA is doling out thousands of dollars to “a convening focused on the intersection of art and climate” and “an exhibition that highlights disparities in the built environment.”³² In 2024, likewise, the NEA gave a \$10,000 grant to the Bearded Ladies Cabaret for an ice-skating show about climate change.³³

Even if members of the public don't object to specific grants on political or ethical grounds, they may consider them wasteful or nonpriorities for public support. A 2017 *Washington Post* write-up of NEA grants in Indiana, for example, found funds supporting a puppeteer, quilt makers, a tunnel made from twisted branches, and a sound project that "takes place in multiple spaces and includes a hangout where visitors can listen to records, have a coffee or beer, and will eventually include a low-powered FM radio station."³⁴

Any government selection of art is likely to please some and anger others. The simplest resolution is for the government to exit the role of arts patron, leaving funding decisions to the pluralism of the private sphere, where no single viewpoint has coercive power over others' money.

NEA FUNDING IS NOT AN EFFECTIVE REDISTRIBUTIVE TOOL

The NEA's supporters claim that government funding makes the arts accessible to the poor. Yet inevitably, a bureaucratized grant-making system centered in Washington, DC, will tend to cater to the tastes and interests of cultural elites.

Historically, the NEA was seen as subsidizing elite cultural institutions (opera houses, museums, symphonies) frequented

by the relatively affluent. The largest grants and fellowships often went to established institutions in cultural hubs like New York, Los Angeles, Chicago, Washington, and Boston.

Faced with that criticism, the NEA pivoted to spread its grants around the country. Yet although the funds may be more broadly distributed now, it remains true that poorer areas simply engage less with the arts favored by Washington to begin with.³⁵ If relatively lower-income people are not interested in arts they're forced to support and would prefer to spend money on pursuits sneered at by "high society," why must they fund the preferences of others through taxes?

CONCLUSION

There is no robust economic case for direct taxpayer funding of art. The NEA's modest grant budget substitutes individuals' preferences for those of committees, crowding out private provision, politicizing art, and violating freedom of conscience. Arts funding should be fully decentralized, with funds allocated by the private sector and (in limited cases) local governments rather than by a federal bureaucracy. DOGE and Congress should work to eliminate the NEA, allowing artistic innovation to flourish without political interference or forced taxpayer subsidies.

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