

An interview with Charles Saumarez Smith

Charles Saumarez Smith is secretary and chief executive of the Royal Academy of Arts ('RA'), an independent, privately funded institution led by eminent artists and architects. In this interview, Charles shares with us his thoughts about the work of the Academy, its funding challenges, and the art world more broadly.

Q: In light of the recent launch of your book on the history of the Royal Academy, how do you think managing the Academy's financial position now compares with having done so in the past?

A: Well, it was definitely easier when the Academy was established in 1768 because the King, George III, agreed to bankroll it, and essentially all costs were covered by the Crown. In the 19th century, the RA was generally pretty rich because it made a lot of money out of the annual summer exhibition. In the 20th century, it became increasingly hard-up, and in the 1960s was so impoverished that it sold the so-called 'Leonardo cartoon', sometimes known as the Burlington House cartoon, to the National Gallery for, I think, £800,000 in order to cover its debt. It has never had money from central government. So, it is inescapable that the financial environment is tougher nowadays than it has been for a lot of the past.

Q: Does the absence of government funding make your position more, or less, stable?

A: I think the honest answer is that it is less stable. Obviously, if you are one of the big national museums funded by government to the tune of as much as 80% of your annual budget, that does make life easier. Having to be attentive to one's economics is not necessarily a bad thing because you have to survive in a different way, and it means we're not subject to the current climate of government cuts.

Q: In terms of the security of your funding, how do you go about ensuring that you balance the various objectives you have (short and long-term)?

A: If I'm honest, we concentrate more on the short term than the long term; I would love to say we concentrate on the long term, but in practice it is tough. We have an annual operating budget of about £25 million, and approximately one third of it comes from the Friends of the Royal Academy. The rest of it we have to make up in a variety of different ways, which include, of course, corporate sponsorship. But each year, the success of the year is dependent on the success of the big exhibitions; last year, when we did Degas, followed by Hockney, we made an extremely good profit. This year, we have done Bronze, followed by Manet, and it will be a tougher financial year. Next year, when we do Australia and contemporary architecture, it will be tougher still. In the end, the ups and downs of the economics of the academy are, in a strategic sense, dependent on our exhibition programme.

Q: To what extent are economic and financial-market conditions of importance to the RA?

A: We do have accumulated reserves of about £20 million in the Royal Academy Trust, which was set up in 1982 precisely in order to build up an endowment. Its level obviously fluctuates according to the gifts and legacies it receives, and the state of its investments. On the operating side at the moment, we have quite reasonable reserves that we have carried over from the success of the Hockney Exhibition, but I'm not going to suggest that our financial situation is completely stable. I would love it to be, but it is not.

Q: Are there tensions for institutions like the RA in trying to balance the requirement to be commercially viable with the desire to be true to a set of ideals?

A: I feel that we should be disciplined in only doing exhibitions where we can rely on having a minimum of 150,000 visitors. If we have fewer than that, the finances tend to go awry. But my view is not necessarily shared by other members of the exhibitions committee, who want, for extremely good

reasons, to be able to do exhibitions which are close to the heart of what they feel the Academy should be. I am the first to acknowledge that doing a big exhibition on contemporary global architecture is a good thing to do because we represent architecture and we have a lot of architectural members. But, historically, it's not always been easy to attract large numbers to architectural exhibitions and, therefore, if one is going to look at it in terms of crude economics, it's not necessarily the most sensible thing to do.

Q: How do you measure the RA's success?

A: If I look back over the last year, Hockney was unbelievably successful in straight economic terms. We had just over 600,000 visitors, and it was packed from dawn to dusk. It was also, I thought, an incredible pleasure because we attracted lots of people who wouldn't necessarily go to art exhibitions. If I look at the current exhibition, Bronze, that was a trickier exhibition to pull off. I don't think it has the same breadth of public appeal, but it is hugely admired by people for doing something which has not previously been done - showing bronzes from across the globe in a cross-cultural way. I am always keen that we are not viewed just as an institution doing exhibitions. We run a post-graduate art school, fostering the next generation of artists. That is important to us. I was told this morning about the number of recent graduates in the RA Schools who are having exhibitions, and that is very impressive. Also this morning, I was having a discussion with the students in the schools. The feeling is that, at the moment, a lot of the students are going on to do good work, but you can't look at it in a simple quantitative way (as you can with an exhibition).

Q: What can the RA, and institutions like it, do to raise the profile of fine arts and engage with the public?

A: Well, as I said, I found Hockney, which was a contribution to the cultural Olympiad, a rather wonderful experience precisely because I felt that it did reach parts of the population which don't necessarily pay particular attention to exhibitions such as the Royal Academy's. I think lots of people just wanted to see contemporary landscape painting. I think all art institutions now, rightly, pay a lot of attention to doing things democratically and trying to attract new audiences. That is partly why we pay close attention to visiting numbers, but visiting numbers aren't everything.

Q: Does the attraction of art to investors make the work that you do more difficult?

A: I find this a very interesting question, which I haven't really thought about. The art market is being opened up and made more accessible and democratised. If you look at the art fairs, I think it is much easier for anybody to buy art work there rather than going to a small-scale gallery where the atmosphere can be slightly off-putting. I'm in favour of the increased public interest in buying art, in looking at art, and in the way that television covers art. I know there are some people who feel that art is being treated as if it is just a fashion accessory, but I'm an optimist rather than a sceptic of this process. When I was brought up, it was inconceivable that an institution like Tate Modern, which concentrates on contemporary international art, could attract five million people, and I think that is very healthy.

Q: Can the art world offer lessons to policymakers, economists and investors?

A: In terms of policymakers I don't think that the British government pays as much attention to the teaching of art and the practice of art as it should do. I know that Christopher Le Brun, who is now president of the RA, has said several times, publicly, that artists are the biggest employers in Southwark, which is where he lives. Damian Hirst probably employs 120 people, and Anish Kapoor 30 people; they are big employers and are quite significant in terms of the local economy. I think artists, like Antony Gormley and Anish Kapoor, and architects, like Norman Foster, Richard Rogers and Chris Wilkinson, are incredibly important in the way Britain is perceived internationally. I think the

government thinks in terms of the City as if the financial services industries are the sole generators of wealth in this country. Historically, it is not only a 21st century phenomenon. They have tended to privilege London and the City against the broader aspects of economic production.

Q: We have seen a government preference for higher education funding to be biased towards the sciences. What difficulties does that create for the RA?

A: To be honest, the way that government funding operates towards the universities doesn't really affect us because, with extremely generous help and support from our sponsors, we fund the schools ourselves. But, whether or not the government supports the sciences before the arts is of relevance in terms of the bigger picture. I am slightly anxious that government policy is not really paying attention to the role that the art schools have played in the post-war period in terms of the broader creative economy. That includes things like advertising, theatre design and film. All of these practices rely on a healthy art school sector, but the government often has a much narrower focus: you put more money into the sciences, you create research, and you create big economies through companies such as GlaxoSmithKline. Now, all of that is important, but it neglects the broader government supports the sciences before the arts is of relevance in terms of the bigger picture. I am slightly anxious that government policy is not really paying attention to the role that the art schools have played in the post-war period in terms of the broader creative economy. That includes things like advertising, theatre design and film. All of these practices rely on a healthy art school sector, but the government often has a much narrower focus: you put more money into the sciences, you create research, and you create big economies through companies such as GlaxoSmithKline. Now, all of that is important, but it neglects the broaderbased economy. I think it tends also to privilege a view that people in the City come out of economics or the sciences, in contrast to my experience of big people in the City. Helena Morrissey [Newton's chief executive] is herself an example, having read philosophy at Cambridge, and I think the current government (and governments in general) often underestimate the analytical skills which the humanities give. I think many people who are chairmen or chief executives of big companies in the City studied humanities because it gave them a breadth of view, and the ability to be reflective, detached and analytical.

Q: Does London have advantages over other European cities?

A: Recently, I was asked to talk at a conference held in Istanbul to encourage wealthy Turks to buy property in London. It was a slightly unusual invitation, and not something I usually do, but I found it incredibly interesting having to think about and analyse what might be attractive about London for a wealthy Turk, as opposed to Paris, Rome or Vienna. I was struck, in thinking about it, that London has renovated the majority of its arts institutions over the last 20 years (largely because of the existence of the National Lottery) to an extent that I hadn't appreciated. If you think about all the major art institutions, the National Gallery, National Portrait Gallery, Tate Gallery, Royal Opera House and also the theatres, they have all had a lot of investment in their infrastructure, so they are quite robust. London is incredibly cosmopolitan, and I think that makes it a very interesting economy, but also a very interesting place for people to live. It seems to be fairly obvious at the moment that the changes in the tax system in Paris are encouraging a lot of French people to move to London. I think there is a sort of global competition in terms of where people locate themselves. Part of it is to do with the system of taxation, part of it is to do with the nature of the environment and whether or not it is a nice place to live, and part of it is to do with the education system. At the moment, it seems to me to be completely obvious that London is a very attractive place to settle, and that is hugely to our benefit.

Q: Are there any other threats to the RA's mission that we haven't discussed?

A: We have to live by our means, because we don't have the stability of government funding, and I'm the first to acknowledge that it's a somewhat tough economic climate at the moment. It's been tougher getting sponsorship at the moment for exhibitions, given the downturn in the economy, at which point I should like to say very explicitly that we have benefitted incredibly from the longterm support we have had, not only from Newton, but also from Insight, BNY Mellon and BNP Paribas. We are incredibly indebted to the financial institutions that take the long-term view of supporting the arts.

Q: What makes you optimistic?

A: Generally, it should be obvious from what I've said that I take an optimistic view of the increasing interest in culture and the practice of the arts; it doesn't feel to me as much of a small-scale enterprise as it did when I first worked in museums in the early 1980s. Of course, commentators say that more people are interested in football, but I am not even sure that is true any longer. Actually, if you look at the aggregate of people who go very routinely to museums and galleries and take an interest in contemporary art practice, and if you broaden that into film and theatre and the arts more generally, I think the consequence of many more people going through higher education is that many more people are interested in what would traditionally have been regarded as middle-class recreation.

Q: Do you have a favourite work of art?

A: When I was at the National Gallery, I got used to trying to dodge that question because I didn't want my curators to feel my heart was in one area of the collection, and not in the whole of the collection. I started studying art when I was at school. At that time, I studied 15th century Italian painting, and I still go back to the 15th century collections in the National Gallery and other institutions. I did my PhD thesis on Castle Howard, so that has a place close to my heart.

We sponsor a range of activities in both the arts and sport. Among our activities, we have undertaken a three-year sponsorship of the Royal Academy Schools.

This institution has been an integral part of the Royal Academy of Arts since its foundation in 1768. It is highly regarded throughout the world as a centre of artistic excellence and for nurturing the talent and ideas of young artists. Our sponsorship should ensure, particularly in this period of austerity, that gifted students are able to attend the Schools on merit alone.

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