

Rebirth: The Future of Classical Music

by Greg Sandow

Chapter 2 – Dire Data.

(Not the final text, but a riff on what this chapter will most likely say)

[Passages in brackets can be skipped, if you want a faster read]

[And for a shorter version of this riff, go [here](#)]

I could begin this chapter with dire facts and statistics, about the aging and shrinking audience, or the long-term decline in classical music recording, broadcasting, and media coverage.

But I think it's more vivid, and more truthful, and even more hopeful -- because if things were better in the past, maybe they can get better once more – to begin with stories about what classical music used to be like, a generation or two ago, when it played a larger role in the world around us.

Those days seem very distant now – the days, for instance, when Toscanini, the legendary conductor, could conduct in Vienna, and have people line the railroad tracks to say goodbye when he took the train back to Italy. Or when Geraldine Farrar, a huge star at the Metropopolitan Opera, had young girls who'd wait by the stage door after performances, “casting flowers and love notes in her direction when she emerged” (as one scholar puts it).

In the 1950s, classical music wasn't uncommon on network TV, and classical programs were sponsored by car companies.

Even as late as 1962, *Life* – then the most popular magazine in America – ran a feature on the piano. They profiled a small-town piano teacher, and a family buying a piano (complete with pictures of the piano being hoisted through a window, to get it into their home). The crowning glory of all this was a new piano piece by Aaron Copland, at that time America's most famous living composer, which *Life* printed, for pianists all over the country to play.

Those days, as I said, seem wildly distant now.

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So now it's time to return to this chapter's title. Here's some of the dire data I didn't want to start with.

[Dire, of course, for the classical music mainstream, or in other words for performances of standard classical repertoire, by familiar classical performing groups, orchestras, opera companies, string quartets, and the like.

[There's also – as I've written about extensively in my blog – an alternative classical world, far from the normal concert hall, where performances of many kinds take place, often of exciting new music. For some people, this world – and I'd agree with this – is an important part of the future, maybe the most important part, not just for what it offers in itself, but as an inspiration for ways that the mainstream can change.

[And so some people – taking this a little further – think we can forget about the mainstream, and let it die, if that's what's going to happen. I disagree, because at the very least the mainstream provides by far the most employment – I'm talking about paying, even well-paying employment -- for classical musicians. Even for some of those most active in the alternative classical world.

[The ripples from its death might be more than ripples – they might be tidal waves, destroying the lives of classical musicians, and, more than likely, affecting music schools as well (meaning that we might have trouble training classical musicians in the future). Who's going to give money to music schools, when the most visible, most glamorous employment their graduates can have – in mainstream eyes – all at once disappears?]

I'll begin – because it's so strong a sign that classical music has receded from our cultural mainstream – with the aging of the classical music audience.

The National Endowment for the Arts has been tracking the age of the classical music audience since 1982 (as I said in my [first riff](#)). In that year, the median age of this audience was 40. In 2008, it was 49.

During that time, the population at large has grown older, too, but (as the NEA notes) the classical music audience has aged faster than the population.

And 49, I'd add, looks a little young, compared to what major classical music institutions typically report. Peter Gelb once said that, when he took over the Metropolitan Opera, the company's subscribers were, on the average, 65 years old. And a Knight Foundation study found that 63% of people buying tickets for orchestra concerts – their main classical performances (not their pops or holiday events) – were over 55. (Even the audience for orchestras' outdoor concerts – which include big, free, splashy performances on the Fourth of July which you'd think would attract all ages -- was only very slightly younger.)

[Why the discrepancy? The NEA numbers, in part derived from census data, report what individuals say about whether they or anyone in their families go to classical performances. The results can't be very precise, since the people surveyed may report

things incorrectly, or may not all have the same understanding of what a classical performance is.

[They also may go – very likely do go – to community performances, which may draw a younger audience than top professional events.

[In any case, surveys of the actual audience – people who don't simply say that they attend, but who actually do attend – will be more precise, and also can be broken down more usefully. They can tell us, for instance, who goes to core classical concerts and who goes to pops events. Or what kind of people are subscribers, and what kind buy single tickets.]

But for more dramatic news, look at studies from past generations. In 1937, surveys at orchestra concerts in Los Angeles and Grand Rapids, Michigan showed an audience dramatically young by our standards – with a median age of 28 in Grand Rapids, and 33 in L.A. Shockingly young, compared to what we see now. The authors of the study don't comment on this finding at all. It must have been what they'd have expected, what they saw when they went to concerts themselves.

In 1955, the Minneapolis Symphony (now the Minnesota Orchestra) surveyed its audience, and found that half of it was younger than 35. One question the study discusses is how to attract more people to concerts. The answer? Advertise in college newspapers, because almost one-quarter of the audience was students.

And in 1966, the Twentieth Century Fund, a major foundation, found that the audience for all the performing arts, classical music included, had a median age of 38. “The audience at a typical performance,” a comment on the study says, “is far younger than the urban population as a whole.” And: “[O]lder people (those over 60) are the scarcest members of the audience in relation to their numbers in the urban population of the United States.” Again, miles away from what we see now.

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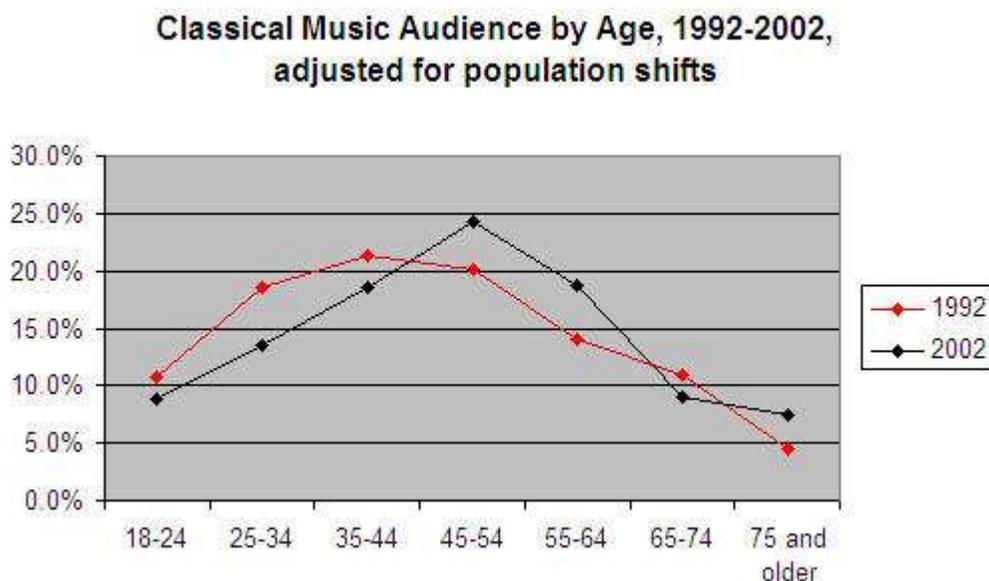
What the aging of the audience means:

Classical music once reached a wide assortment of people, more or less of every age. But now it's a niche activity, despite all the glamour and fame it still maintains. It largely plays for a restricted audience, an older one, far removed from the front row seats in current culture.

And the present audience is, to a great degree, made up of people who've been going to classical concerts for many years. They're people in their upper fifties, or their sixties, who came to classical music when they were young, because, at that time, younger people went to classical concerts.

As they grew older, they kept going, and they're still with us today.

[A chart I made from NEA statistics shows a single group of people moving through the classical music audience in two years a decade apart:



In 1992, the largest age group in the classical music audience was 35 to 44. And in 2002 the largest age group was 45 to 54 – the same people, in other words, who were the largest age group in 1992, now grown 10 years older.]

And as these people age, they're unlikely to be replaced, in the classical audience, by younger people. That's because younger people aren't coming into the audience – as, of course, they couldn't be, or at least not in large numbers, if the audience keeps aging.

As NEA figures show, younger people largely stopped going to classical performances back in the 1980s (when the percentage of the classical music audience under 30 quite literally fell in half). And they're hardly likely to start again, because (as I'll show in chapter three of the book) the classical music world just doesn't look or feel like the culture younger people are part of.

(Or, for that matter, like the culture even people in their forties and fifties feel comfortable in.)

[The age of the audience itself can make younger people uncomfortable. Often enough they've said – in surveys, privately to me in conversation, or else quoted in the press -- that one reason they don't go to classical concerts is that the people they see aren't anything like them.

[For a graphic picture of how old the audience can seem to someone outside classical music, read *The Cello Suites*, a very sweet new book by Eric Siblin. He's a former pop music critic who,

with no background in classical music, fell in love with Bach's music for solo cello. So, as he says in his book, he started going to concerts to hear that music performed, and each time he describes one of the concerts, he finds himself telling us how strikingly old everyone else there seems.]

Of course there are other changes going on, reflecting, as the aging of the classical music audience does, the most fundamental shift of all -- the replacing of an old culture with a new one.

And so we have the decline of newspapers, and then smaller, more wistful devolutions -- the eclipse (or at least relative eclipse) of pastimes that once were cultural touchstones, pastimes like stamp collecting, model railroading, and even nudism (a paradoxical victim, I'd think, of the sexual revolution). Men with model railroads are, on the average, about the same age as the classical music audience, and of course fell in love with trains in their youth, when railroads were much more important than they are now. Younger people now just aren't drawn to stamps, or model trains, or to walking around naked (in the manner of old-fashioned nudists) with a determined lack of sexuality.

Now look at one of the many things that lie behind all this -- at one of the largest cultural changes in modern America, the shift towards a non-white majority. Classical music of course comes from white, European culture. But when white people become a minority -- and if classical performances still look, as they do now, largely-white -- won't classical music have visibly exiled itself from the evolving cultural mainstream?

[Though here's a paradox, a very important one. The number of younger people who study classical music -- and who go on to make professional careers in the classical field -- doesn't seem to have dropped.

[How can that be? This has never, as far as I know, been explained. My theory is that classical music -- learning a classical instrument -- has become an upscale attainment, something kids from upscale families are encouraged to do, to put on their busy schedules along with soccer camps. Even if the parents involved don't go to classical concerts.

[But I don't know if that's correct. I do know that this phenomenon is double-edged. On one hand, we do get younger people involved in classical music. But as their involvement grows -- and especially as they make professional careers -- they move away from others of their generation. And so the gap between classical music and the world at large becomes a gap in their own lives, between them and their friends -- friends who, in all other respects, are much like them, but can't relate to their involvement in the classical music world.]

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Which now brings me to more of the dire data I promised. It can hardly be a surprise that, as classical music retreats from the cultural foreground, its retreat has measurable consequences:

There's less classical music on the radio:

Commercial classical stations have been dying out. There are many fewer than there used to be. Two of the biggest – as if unable to sustain themselves commercially – were recently bought by big public radio stations.

And public radio has cut down a lot on the amount of classical music it broadcasts. Why? Because its listeners don't want to hear it.

[A fabulous one-liner, from TV producer John Goberman. about the live opera telecasts he produced in decades past for PBS. So few people tuned in, or so he claimed, that "we'd have been better served to have made videocassettes and just sent them to the people who actually wound up watching."]

Classical recording isn't what it used to be:

Go back a generation and classical record labels, large and small, were profitable. Huge recording projects, like the first release of Wagner's complete *Ring* (the recording conducted by Georg Solti, with the Vienna Philharmonic and a spare-no-expense cast), were produced by record companies that expected to profit from them. Prominent classical recordings might sell 50,000 copies. Now they're lucky if they sell 3000. (A collapse that's even worse than it looks, because the population has grown. A few classical recordings – most recently Cecilia Bartoli's extravagantly marketed recording of castrato arias -- do still sell in large numbers, it's only fair to say.)

There's a lot less media coverage of classical music:

Newspapers are shedding their classical music critics. Mary Lou Falcone, a prominent classical music publicist, tells me that her list of newspaper contacts outside New York for classical music is half as long as it was some years ago. (Of course, that's also a story about the shrinking of newspapers.)

But the decline of media coverage has been going on for decades.

Once I was classical music critic for *Vanity Fair*. Yes, *Vanity Fair*. This was back in the early '80s, when the magazine started. Its original editors, before Tina Brown came on the scene – editors who, it's now clear, lagged behind the cultural curve – assumed, as they would have in previous generations, that a serious magazine needed a classical music critic.

Enter me. And then exit me, when Tina Brown took over in 1984. Getting rid of classical music coverage was just one of the culturally savvy moves she made that turned the magazine into such a raging success.

Another personal story. In the early '90s, I was music critic and then music editor for *Entertainment Weekly*. Of course the music we covered was mostly pop, but at first we ran three classical record reviews each month. Until, that is, surveys of our readers showed that hardly anyone read those reviews. So we stopped covering classical music.

The '80s, as I later found were a pivotal decade for classical music coverage. In 1980, *Time* magazine (which then had a fulltime classical critic, as it certainly doesn't now) printed two classical reviews for every pop review it published. By 1990, the proportions were reversed, and their classical critic was on the way out.

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And now comes the complex question of ticket sales.

You'd think this wouldn't be a complex question. You'd think the classical music world would know how many tickets it sells, and whether that number is going up or down. The automobile industry, after all, knows how many cars are sold, and so, if you want to study the decline of American car companies, you can look at their sales figures, year by year trailing back into the distant past.

But – as I said in my first riff – this data largely doesn't exist for classical music. Chamber music ticket sales aren't tracked at all (at least on an aggregate basis; individual chamber music presenters presumably know how many tickets they sell). And sales by presenting organizations, presenting any kind of classical music, aren't tracked.

But everything I'm able to learn says the numbers have been falling, and maybe have been falling for quite a while. Back in 1992, for instance, there was a *New York Times* story about how presenters – people who run institutions that present concerts by touring groups -- had begun to replace classical music with more popular attractions. That's because they weren't selling enough tickets to classical music events.

In 2006, the League of American Orchestras (at the time called the American Symphony Orchestra League) told me about – and later made public -- a steady drop in attendance at orchestra events, beginning in the 1997-98 concert season. And private data from our largest orchestras show a long-term fall in ticket sales, beginning around 1990.

[Why the discrepancy between the League's figures and what the 10 largest orchestras report?

- The League data is for all member orchestras, as opposed to just the 10 largest.

- The League's numbers measure attendance, or in other words the number of people who show up for any kind of orchestral event, including free concerts in city parks, and free concerts for schoolkids bussed into the concert hall. The numbers from the top 10 orchestras measure actual ticket sales for the orchestras' purely classical subscription concerts. These are a more sensitive indicator of interest in what an orchestra does. It takes more commitment to buy a ticket to a classical concert than it does to come to a park on the Fourth of July for a picnic, while the orchestra plays patriotic favorites.]

For opera companies, Opera America, which represents opera companies in the US, hasn't reported any drop in ticket sales. But the NEA reports a drop between 2002 and 2008 in the percentage of Americans who go the opera. And Peter Gelb, who took over the Metropolitan Opera a year ago, publicly acknowledged a serious drop in ticket sales, in the years before he came on board. And the Chicago Lyric Opera, which used to sell more than 100% of its seats (subscribers would return tickets they couldn't use, and the company would resell them), was down, last I heard, to around 92%.

[Of course, I'll update this data when I move from this riff to the actual book.]

And for chamber music, I've heard anecdotal accounts from people who present chamber music concerts, about falling ticket sales.

[A couple of years ago I got more precise numbers from one of these presenters, located in a large American city (not New York). Each year for a decade, I was told, this group had lost 10 to 20 subscribers. At the time, the group had around 700 subscribers, so if we assume an average drop each year of 15, that means that in 10 years the subscription sales had fallen 18%, from 850 to 700. With no end in sight, since the group didn't know how to make sales rise again.]

In the two or three years just before the recession hit, some of these numbers – especially for major orchestras, and certainly for the Metropolitan Opera – had begun to go up. The simplest reason for that was marketing. The big institutions got scared, as they watched their numbers fall. So they started marketing more heavily, and worked the numbers up again.

But this new upward trend wasn't strong enough to turn the multiyear decline around. The long-term trend still was downward. And as we'll see, the recent uptick carried deep within it the seeds of its own demise.

But here's the scariest data. This fall, the National Endowment for the Arts released new numbers, showing that the percentage of adult Americans who go to classical music performances had declined nearly 30% since 1982. (Which, as I've said, was the year when the NEA started tracking attendance data for the arts.)

And that decline now affects all age groups, except people over 65 – the only people now left in the audience who grew up at a time when younger people still went to classical performances.

The League of American Orchestras then did its own study, and found that the NEA numbers were correct. The League also came to a radical conclusion, which it bravely stated in public – namely, that the classical music audience now is both aging and shrinking, and that if things continue as they are, it won't be replaced.

[The NEA and the League also found that the percentage of people who do all kinds of things has been declining. Fewer people go to the movies, fewer people go to sports events. For some people, this means that classical music isn't in worse trouble than anything else for which people buy tickets. But if participation in ticket-buying events is falling more or less across the board, we then should ask who's best able to adapt to that. And there the movie industry, for all its troubles, is surely way ahead of classical music.

[Worse, an across the board decline means that we're seeing a major cultural shift, playing out in many arenas at once. Which then might suggest that the decline in classical music attendance is very deeply rooted, and is likely to keep on growing.]

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So why don't more people notice what I've just recounted? Partly because some of the data is kept private, because large institutions don't want to frighten their donors.

The press, meanwhile, doesn't ask tough enough questions. If an institution reports a rise in ticket sales, classical music writers don't normally ask which concerts the data is for, or how it compares with data for the past decade. Are we seeing a continued rise in sales over many years, or instead what might be a temporary blip, a brief upturn in the midst of a decline?

[It's also hard to measure a long-term decline simply by going to concerts and looking to see how many seats are empty. "I go to the X Symphony a lot," a student said to me last year, naming one of America's foremost orchestras. "And the houses look full to me."

[In the same vein, a critic I know wrote some years ago that concert halls looked "pretty full" to him.

[But "the houses look full to be" or "the halls are pretty full" aren't precise descriptions of anything. If the X Symphony sold 95% of its tickets 15 years ago and sells 85% now, that's a serious sag, which certainly puts pressure on the orchestra's finances. But someone looking around a concert hall that's 85% full can honestly say they don't see many empty seats.]

As for the NEA data – corroborated by the League – the percentage decline in classical music attendance has been largely balanced, so far, by a growth in population. A smaller percentage of people go to classical performances, but there are more people, so the percentage decline doesn't translate (yet) into a large decline in absolute numbers.

That's why we don't see concert halls with empty seats.

But this isn't good news. What we *should* be seeing, given the rise in population since 1982, is a large rise in attendance.

Which brings me back to the small rise in attendance that major orchestras, at least, saw in the two or three years just before the recession. These sales, it now is clear, came largely from the existing audience. The League, in fact, found that, while total sales were up, the number of individual ticket buyers had fallen. Fewer people, in other words, were buying concert tickets. And so the increase in sales came from people who already were orchestral ticket buyers, but who now could be persuaded to go more often than before.

This is bad in the long run, because if – as the League now states (and as the NEA figures strongly suggest) – the old audience will shrink, then the boost from some people in it going more often will soon enough be wiped out.

[Another wrinkle in the NEA numbers. I'll quote from my [blog](#):

[...there's one final, killer finding, the one that blows up the hopeful belief that younger people can renew the classical audience:

["Forty-five to 54-year-olds - historically dependable arts participants - showed the steepest declines in attendance for most art events, compared with other age groups."

[But wait, it gets worse! If you look at the statistical tables that accompany the report, you'll see that people 55 to 64 also show a steep decline in classical music attendance. So now we have people from 45 to 64 going less often to classical performances. That's the core of the classical music audience! And they're showing a greater decline than any other age group. Younger age groups, the tables show, had their most striking declines earlier. Now the core of the audience, people 45 to 64 -- whose rate of attendance was more or less constant between 1982 and 2002 -- has started to go to classical concerts less often. Only those 65 and over still go to classical concerts at the same rate that they did in the past.

[So why does this show that the classical music audience isn't renewing itself? First, we should remember that these age groups are moving targets. As the years pass, people

get older, and those who were 45 to 64 in 1982 aren't the same people who are 45 to 64 now.

[So let's look at those people who were 45 to 64 in 1982, and whose attendance at classical music events hadn't yet started to decline. They were born between 1918 and 1937, and grew up -- which I'll roughly define as spending their high school and college years, from age 14 to age 22 -- between 1932 and 1959. During those years, classical music hadn't yet become a problem, still functioned as part of the mainstream of our culture, still reigned unchallenged as serious musical art, and, most important, still had a younger audience. It was natural for younger people to go to classical concerts, and then to keep going as they grew older, and still to keep going now.

[But what about people aged 45 to 64 now? They were born between 1945 and 1964, and grew up, roughly speaking, between 1959 and 1986. Those were years when interest in classical music started to decline, when popular culture rose up (starting in the '60s) with a force and seriousness never seen before, and when the classical music audience was starting to age. Younger people, during those years, were increasingly less likely to go to classical concerts.

[And so why should we be surprised that people in this age group are going to classical concerts less often now? What all this really means is that, as time goes on, people coming into what used to be seen as the prime classical concertgoing ages -- 45 and older -- increasingly grew up at a time when classical music had started to recede from the cultural mainstream. So naturally they're less interested in classical music than the generations before them were. With each passing year, more people from 45 to 64 fit this description, and, no surprise, are less interested than those before them in going to classical concerts.

[And thus we see the dire numbers that the new NEA study reveals. Unless we have reasons to believe that these trends will reverse -- and what would those reasons be? -- as time goes on, a smaller percentage of Americans in all age groups (even, eventually, those over 65) will go to classical performances, and the classical audience, rather than being renewed, will shrink.

[I'm often asked, by the way, if these trends are purely American, or if they're replicated in other countries, maybe throughout the world. The answer is that these trends do seem more or less universal. In Germany, just for instance, one study shows that -- based on current demographic trends -- the audience for German orchestra concerts might shrink 36% in the next two decades.]

Funding. That's the final subject I'll discuss in this chapter.

Classical music, as everyone knows, is expensive, at least at the big institutions. And as everybody surely knows, big classical music institutions – big orchestras and opera companies -- can't make the money they need from ticket sales alone. So someone has to make up the difference.

That's why the big institutions work hard to raise money from private donors, and from corporations, foundations, and government agencies. And it's why, within these institutions, more people work on fundraising than on anything else.

But as the future I've sketched starts to evolve – as our culture grows even less interested in classical music, and the established classical audience starts to shrink -- won't fundraising get more difficult?

Common sense says it will.

If there's less interest in classical music, fewer people, presumably, will give money to support it. And if the audience shrinks, well, the first place any classical music institution looks for support is – no surprise – to its audience.

[Musical interlude.

[You may remember, from my riff on chapter one, that throughout the book there'll be musical interludes, digressions – or sidebars, or celebrations – in which I talk about music itself. I'm thinking that there should be one in each chapter.

[This one would be about what we get when we spend a lot of money on classical music – star musicians, well-honed orchestras, exquisitely rehearsed opera productions, string quartets that can spend full time honing their performances, composers who can give their music all the time it needs. Musicians can earn a decent living, getting paid what professionals in other fields might earn.

[And there's the chance, too, to play really large compositions, works that aren't only huge and grand, but go very deep, emotionally and spiritually, pieces like Wagner's *Ring*, huge Mahler symphonies, or smaller works that use many more musicians than are normally found in standard ensembles, or use musicians in unusual combinations.

[Of course, big stars can be a liability. They might not be as good as their reputations, and often enough aren't. Or they can decline, and start phoning their performances in, as more than one major classical star has done.

[But some stars are stars because they deserve to be, because they bring the deepest thought, feeling, and texture – along with profound understanding – to the music they play. So not just

star quality is at stake here, but quality. I remember talking with musicians in the Cleveland Orchestra. The Cleveland Orchestra gave conductors – or at least it did at the time when I had this conversation – more rehearsals than most orchestras would, as many as six rehearsals for a single concert program, when other orchestras might provide four. The musicians were proud of their ability – and, more, their need – to use every minute of those six rehearsals to make the music better. They despised conductors who didn't know what to do with the time, who after four rehearsals would say, "But we can stop now. You're playing wonderfully."

[Six rehearsals cost a lot of money, of course. In this interlude, I'll try to evoke the sometimes subtle greatness that many well-used rehearsals can bring, and I'll also try to bring alive one of the pieces that can only be performed with huge forces – the *Ring*, maybe or Mahler's Eighth Symphony. And maybe also something more modern – a big orchestra piece, let's say, by Boulez or John Adams, or one of Philip Glass's operas.]

So, coming out of the interlude – where does funding for classical music stand now? Has it already fallen off?

You might think not, because we've lately seen a surge of large gifts from wealthy private donors.

But this isn't wholly good news. These gifts tend to go to institutions in trouble. They're designed, of course, to bail the institutions out.

But here's the crucial question. Can these gifts be repeated? Surely not (or at least not in most cases). No one has unlimited money.

And so what happens if financial troubles continue? What will the institutions getting these large gifts do then? Their day of reckoning – if that's what's facing them – has only been postponed.

And normal funding has been harder to find. Some of that comes, of course, from the recession. And some – just as common sense would predict -- comes from cultural shifts. Corporations and foundations, which used to give money to classical music, now may not want to. They've turned their attention to social causes, among other things.

There's also a generational change. Younger people with money may not care much for classical music, and so they won't give money to it, or at least not as much as their parents' generation did.

[That's notably true of young tech zillionaires. They have money to burn, but – as classical music institutions in Seattle, especially, have found out – they don't want to give it to classical music.]

Now put this in a larger context. In any city, only a very small fraction of the population regularly goes to classical performances. (For a major orchestra in a very large city, I've seen that number stated as just one half of one percent.)

And yet these institutions have been lavishly funded. How long can that continue?

And, especially, how long can it continue once we have a non-white majority population, and once we firmly understand that classical music isn't the only music that we can call art?

How – once we've come to this new point in our culture -- can we justify spending a fortune just to keep major orchestras functioning 52 weeks every year?

[This already may be more than a theoretical discussion.

[A recent front-page story in the *New York Times* discussed a new consciousness in charitable giving. An economist has theorized that tax breaks for those who donate money may promote inequality. Why? Because studies show that only 10% of charitable donations go to causes that actually improve how people live. The other 90% goes to things that rich people enjoy, and which are part of rich peoples' culture — new buildings for elite universities, and (sigh) the arts.

[This doesn't mean that the benefits of these things don't spread beyond the rich; obviously they do, at least to some extent. But donations go to them primarily because the rich enjoy them, not because they're seen as any route to social betterment. And it turns out, according to the *Times*, that at least a few wealthy donors are starting to see that this is true, and aim their giving away from classical music and other elite, expensive forms of art.

[And – if we're to believe an article than ran in *New York* magazine – there's been an evolution in the social structure of New York. For years the city's richest zipcodes were in the neighborhood where the old social, financial, and political elites were found, the Upper East Side.

[These were the people who, among many other things, supported the arts.

[But now the money — along with political and social power — has moved. The richest zipcodes are now downtown, in Tribeca. Does Tribeca support the traditional arts? Apparently not. The people who live there have much more modern taste, and they certainly don't appear to care about classical music. From what I've learned, not so many people from Tribeca go to classical performances. Which zipcode buys the most classical music tickets? You guessed it — the Upper East Side.

[So here we have what seems to be a tangible — quantifiable — emergence of the cultural change I've been outlining. The new generation of wealthy, powerful people in New York (and I'm sure this is echoed in other cities) doesn't support classical music the way the older generation did.

[There's one other funding problem to deal with in this chapter – an economic principle called Baumol's Dilemma (or, sometimes, Baumol's Curse, or the "cost disease"). This principle (first put forth in the 1960s by William J. Baumol, sometimes described as the most distinguished economist never to win the Nobel Prize) highlights a problem with economic institutions – hospitals, universities, symphony orchestras – that don't manufacture anything, but instead deliver services.

[The cost of delivering those services falls over time, but not nearly as much as the cost of producing manufactured goods. That's because service industries don't show productivity gains. As the years pass, and technology improves, Toyota can produce more and more cars with fewer and fewer employees. But an orchestra still needs the same number of musicians to play a Brahms symphony.

[And so, over time, it becomes more and more expensive to run symphony orchestras. (And opera companies, and hospitals, and universities.) Economically speaking, they fall behind other institutions. Their income can't keep up with their expenses.

[In the case of orchestras, of course, and opera companies, income from ticket sales isn't expected to cover expenses, so these institutions raise money above and beyond what they take in at the box office.

[But Baumol's Dilemma says that, as time goes on, they'll keep having to raise more and more money. The amount they raise now, even adjusted for inflation, won't be enough for what they'll need 10 years from now. They have to keep scrambling, because – as they fall behind the rest of the economy – their needs inflate more and more.

[Here's evidence that this is true. The percentage of income that orchestras get from their ticket sales has steadily fallen, from 70% to 90% in 1937 (when the study of orchestras that I've mentioned was done) to – for most orchestras – no more than 40% today. And often less. No wonder orchestras these days have talked privately about "structural deficits," or in other words a built-in propensity to spend more than they take in.

[In good years, when the economy booms, orchestras feel flush. But in bad times, they fall badly behind. And – over the long haul – they've had to reinvent the way they fund themselves. Up through the late 1960s, they didn't worry much about money, or at least they didn't work at fundraising anywhere near as hard as they do today. They didn't have development departments, the large squads of people – the largest department in an orchestra's administration, as I've said -- who work fulltime raising funds.

[But then, late in the '60s, came a crisis. The big orchestras, which up to then had employed their musicians for only part of each year, expanded to fulltime employment. And they also

started paying their musicians at a higher rate. They ran out of money. They worried that they'd go out of business.

[And so they hired consultants from McKinsey to study the situation. The consultants confirmed the orchestras' worst fears. They really were going to go out of business. They'd have to find more money somewhere. The consultants thought they should look to the federal government. In Europe, governments paid nearly all of every orchestra's costs. Why couldn't the government here pay 25%?

[If that could be done, the consultants said, the problem was solved. But of course it wasn't done, and instead, orchestras (along with other nonprofit institutions) evolved the way that they're funded now, with ticket prices raised as high as possible, tickets heavily marketed (to sell as many as possible), and fundraisers unleashed, to get as much as they could from individuals, foundations, and corporations.

[So there's an example of the cost disease hitting classical music institutions so hard that they have to reinvent the way they finance themselves. What will orchestras do if this happens again?

[Because the pressure -- the cost disease -- has never gone away. Robert J. Flanagan, an economist at the Graduate School of Business at Stanford University, did an extensive study of orchestra finances for the Andrew W. Mellon Foundation. In it, he confirmed Baumol's Dilemma, and bluntly said, "[the] performance income gap" -- the gap between the money ticket sales bring in, and the amount needed to keep the orchestra alive -- "has worsened over time and will worsen in the future."

[So if that's true -- and if the cultural gap I've described makes it harder, in the future, for anyone in classical music to raise funds -- what will orchestras do? Where can they go for more money, if they have to reinvent their financing once more?

[Many people in the orchestra world think that time may have come, and will privately say that orchestras -- unable, finally, to keep up with their funding needs -- will have to shrink their operations, play fewer concerts, and very likely stop employing musicians for a full 52-week season.]

[I can't look at that calmly. Maybe, in some ways, it would be good for orchestras to hit a brick wall. Without that, they might never reinvent themselves, in the ways they have to do if they want to be reborn. But their musicians would be caught in the middle, and -- however stubborn they may have been in contract negotiations, however unwilling, at times, to face new realities -- they just didn't sign on for this. They expected, once they got jobs in major orchestras, to enjoy the same kind of income highly trained professionals in other fields might have. They have

mortgages, and kids to put through college. It hurts me to think of them being sacrificed, no matter how inevitable new financial realities might be.]

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Other *Rebirth* reading:

An [outline](#) of the book (subject to revision)

A [riff on chapter one](#), "Rebirth and Resistance"

A [shorter version](#) of the chapter one riff

An evolving [web page](#), with links to everything from the book

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