

Response: Arun Mahizhnan

Corporate Funding of the Arts in Singapore

I have been in government service and the corporate world sufficiently long to understand some funding issues. In my job in the government over 10 years, I had to understand the “whole-of-government” and not just one ministry. I also spent 13 years in the corporate world, and then finally, the last 25 years in academia dealing with government and arts issues. With specific reference to today’s topic on funding — I was a “professional spender” as a civil servant. When I went into the corporate world, I was a “professional giver” and gave out a lot of money for arts organisations. In my last 25 years in academia, I have been a “professional beggar”, for both the Institute of Policy Studies, as well as various arts organisations I have been part of. So, I speak from all three perspectives.

In Singapore, we often tend to think that funding has to come from the government. And most of it is actually coming from the government. This is the very opposite of the US, where most of the funding for the arts come from the private sector and very little from the government. Many public goods in the US (apart from defence, and law and order), including water and energy, education, road and rail transportation are privately generated and not government funded.

We have grown up in the British system where arts funding and many other forms of funding for public goods are highly dependent on the government. But what we forget is that the corporate world has in fact been funding, at a really high level, some other aspects of our lives. In the last 200 years of Singapore’s history, a substantial amount of healthcare and education has been funded by the non-government sector, such as by clan associations and individuals, but much of this had not been recorded.

However, there was very little funding when it came to the arts. This is why the company that I worked for, Mobil Oil Corporation, decided to go into funding the arts. Our biggest competitor in Singapore was Shell, which has been in Singapore for more than a hundred years. It was the biggest company in Singapore, and the oil business was the biggest business in Singapore for decades. There was no way Mobil could compete with Shell if we went head-to-head. So, Mobil decided to look for an area where it was, what we called in the trade, a “greenfield”, where there was not much activity. So, we deliberately chose the arts. This was also the time when the

government was finally coming around to see the importance of arts in a favourable way. We used to have this unfortunate philosophy that you had to “have your belly full” before producing art. This was a sequence which I did not subscribe to, and which I think is a fallacious way of thinking. As corporate funders, this was a propitious time for Mobil to get involved. So, Mobil started funding arts in a way that no other corporation had done before.

Accountability in corporate funding is very different from accountability in government funding. In government funding, the accountability is ultimately political. In the corporate world, however, the accountability is ultimately profitability to the shareholders. So, shareholders often asked, “How many litres of petrol can we sell by funding the arts?” And the answer was, “None, perhaps.” Funding the arts festival did not necessarily help Mobil sell petrol. But fortunately, we had a chairman in the Singapore office and top executives at the headquarters in New York who understood the philosophy of corporate funding — that this is “enlightened self-interest”. Corporations do not fund out of pure altruism, but with enlightened self-interest. They give back to the community that made their operations possible and profitable in the first place and may, in fact, continue to do so in the future. Mobil funded the arts precisely because it was the right thing to do to be in the good books of the government. Mobil found itself to be a leader in the field as very few others were willing to fund the arts even when the government was looking for funds. In fact, many corporations frittered away by giving \$1,000 for this, \$2,000 for that, \$5,000 for something else. Mobil decided not to fund a hundred small things but fund only two or three things in a big way. Every single activity that I was involved in then was pioneering — things that have never been done in Singapore — and very substantial. This was Mobil’s philosophy of funding the arts.

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We have always had to measure our returns, but returns need not necessarily be in terms of product sales. Our returns were political goodwill, community goodwill, and the positioning of Mobil as a pioneering and creative company — thus attracting a different kind of employee to work for us — and as a company that cares for the

community. This kind of thinking was not common those days. So, there are a number of reasons why a corporation would fund a certain kind of activity. Some banks have even taken up supporting the Nature Society because, again, it is a “greenfield,” in more ways than one, and they felt that they would make a name for themselves. So, I would suggest that corporate funding has to be looked at in tandem with government funding.

Funding need not always be in terms of the amount of money given by a corporation. Having been a civil servant for 10 years, I knew that the civil servants involved in the Arts Festival in the early years had little capacity to do things such as marketing because that was not what they were trained for. So, Mobil decided to take hold of the marketing responsibility of the Festival and help the civil servants run the Festival profitably. Previously, the Festival was run by civil servants until Mobil brought in a professional artistic director. This is another example of how corporations can help. Corporations have enormous capacity in many areas, from general management, financial management, to experience in marketing and bringing in expertise for the arts groups. Many of the arts groups have little or no capacity in certain key areas beyond production of the content. They have little management experience, little financial experience and little marketing experience. They sometimes do not even know how to produce a good brochure for their own company. So, these are the areas in which corporations can be involved, not just in terms of money, but in terms of expertise and time. They have so much experience to offer.

The final point I want to make is the connection between the corporate funding and the Cultural Matching Fund. I think it is magnanimous that the government matches monies collected from corporate entities, as it is an incentive for the arts organisations to raise funds on their own. This is what Tan Tarn How and I have been doing at the Intercultural Theatre Institute (ITI) for years, together with the management, and we try very hard to create our own funding mechanisms. ITI has initiated the Mobius fund, which is a scholarship fund for ITI, and the ITI Angels scheme for general donations. Corporates, as well as wealthy individuals, provide support for these schemes. So, there are a number of ways in which we can look at the non-government sector to help alleviate some of the pains that the arts community is going through.