Critical Sales: Questioning Deaccession Ethics in American Museums Through The Heckscher Museum

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Critical Sales:
Questioning Deaccession Ethics in American Museums
Through the Heckscher Museum

Christina M. Wetherbee

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Degree of Master of Arts in Museum Professions
Seton Hall University
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ABSTRACT:

In 2005, constituents of the Heckscher Museum, in Huntington, New York publicly decried the museum over the proposed sale of the finest object in its collection, George Grosz’s *Eclipse of the Sun* (1926). The sale was to fund a building expansion project, which violated ethical standards set by the American Association of Museums (AAM), to which it was a member. AAM as well as most non-profit museum governing organizations, strongly prohibits the sale of collection objects in return for anything other than the collection itself or the "direct care of the collections." The Heckscher sought permission to sell George Grosz’s *Eclipse of the Sun* for $19 million to an anonymous, unsolicited, European collector to partially fund a $9 million expansion project. While the Heckscher claimed financial necessity, the sale was still unjustified under the commonly held ethical rules. The sale of the painting, called "by far the most valuable item in the private, non-profit museum’s collection"\(^1\) was highly contested in the on the editorial pages of the print media and after intense pressure the Board of Trustees withdrew the proposal and opted to highlight the work in a permanent installation while seeking other funding sources for the expansion.

In this instance the public spoke and strongly agreed with industry ethical standards on deaccessioning. Yet, why do museums continue to

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challenge the “rules?” Perhaps it is the current height in the art market creating a quick “means to an end” for unbalanced budgets. Or perhaps it is simply because they can, due to loosely enforced standards written in ambiguous language. In any case, the public agrees that the ethical standards of deaccessioning are in place to protect the integrity of the collections and therefore the institution.

I will use the Heckscher Museum in Huntington, NY as the primary model in an in-depth examination of this trend. I will identify current, collection-related, deaccessioning ethical standards of the museum community and its governing organizations. I will seek to answer the question “why do museums continue to challenge ethical, deaccessioning standards?” citing other recent examples in the field. Finally, I will conclude with suggestions on “best practices” to aid museums in avoiding risky deaccessions and public scrutiny in the future.
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INTRODUCTION

In 1994 the American Association of Museums (AAM) adopted its current deaccession ethics code. It states that "Proceeds from the sale of non-living collections are to be used consistent with the established standards of the museum's discipline, but in no event shall they be used for anything other than the acquisition or direct care of collections." Amongst professional museum associations and individual museum ethics policies this notion is not radical. It is the standard in the industry. Museums are not supposed to sell off their collection objects to pay their bills. However, museums continue to challenge the rules.

As the ethics guidelines are solely advisory, museums face few repercussions if they break these rules. However, individuals in the public and private sector have become increasingly dissatisfied with this egregious practice. They have begun to question deaccession ethics in American museums as a means to stop the liquidation of what, in the definition of a non-profit organization, belongs to them.

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Yet, why do museums continue to challenge the "rules?" Perhaps it is the high prices art sales garner on the open market, creating a quick "means to an end" for unbalanced budgets. Or, perhaps it is simply because museums are able to without repercussion due to seldom enforced standards. In any case, both professional organizations and the public agree that the ethical standards of deaccessioning are in place to protect the integrity of the collections and therefore the institution. It is the museums who sometimes forget this.

One of the most recent attempts by a museum to sell off a valued collection piece occurred in 2005 at the Heckscher Museum of Art, in Huntington, New York. Once the proposed sale of George Grosz's *Eclipse of the Sun* (1926) became public, the Heckscher's constituents publicly decried the museum, objecting to the sale of the finest object in its collection. The proceeds were to fund a building expansion project, which violated ethical standards set by the American Association of Museums, of which it was a member. The Heckscher sought permission to sell *Eclipse of the Sun* for $19 million, with $9 million earmarked for an expansion project and the remainder set aside for acquisitions. While the Heckscher claimed financial necessity, the sale was still unjustified under AAM's commonly held ethical rules. Given the questionable ethics, the sale highly contested in the editorial pages of the print media. Following intense pressure, the Board of Trustees and Executive Director bowed to
critics, withdrew the proposal and ultimately chose to highlight *Eclipse of the Sun* in a special installation.

The Heckscher Museum is an ideal model for the current collection-related discourse surrounding ethical deaccessioning standards in the museum community and its governing organizations. Examining this case will help to answer why museums continue to challenge ethical, deaccessioning standards. It will also provide the proper framework for a discussion on the best practices museums should follow to avoid questionable deaccessions. The proposed sale of *Eclipse of the Sun* was not unique. Yet, hopefully, under the guide of these suggestions, it will find itself so.
THE HECKSCHER MUSEUM OF ART

The Plan

On December 12, 2004, New York Times art critic Benjamin Genocchio praised George Grosz’s painting Eclipse of the Sun (1926) in the Heckscher Museum, Huntington, NY, as “an unusual regional treasure worth many millions . . . widely admired for its sensual beauty and delicacy of the artist’s technique.” The painting was one of only ten works of art in suburban New York museums that Genocchio dubbed as “a masterpiece.” At the time though, he noted he “could not see it, and it is unclear when it will next be displayed.”

The painting, in fact, reappeared in an unexpected way within six months of the article. The “masterpiece” was set to be sold to an unknown, European collector for the sum of $19 million. This was well

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4 Ibid.
over the appraised value of $10 to $15 million.\(^5\) While the sale of the premier artwork in the museum's collection is curious, the motivation for the deaccession was even more intriguing to museum professionals and constituents. More than half of the proceeds were to pay for capital improvements on the Heckscher's 1920's Beaux-Arts building located on Long Island, approximately 35 miles east of New York City.

Most museum professionals practice within ethical guidelines set forth by trade associations, such as the American Association of Museums. The guidelines prohibit the use of deaccession funds for anything other than the collection.\(^6\) This is a means of protecting the collection, widely viewed as the core of any museum. The Heckscher Museum was an accredited member of the AAM and was therefore bound to comply with the guidelines set forth by the organization.

\begin{figure}[h]
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\includegraphics[width=0.5\textwidth]{heckscher.jpg}
\caption{The Heckscher Museum of Art, Huntington, New York.}
\end{figure}

In some cases, such as in New York State, laws are in place to ensure the proper usage of income from the sale of non-profit agencies collections if the proceeds are to be used for anything other than

\(^5\) This is a public document provided by the Heckscher Museum to the New York State Board of Regents for exemption to the Regents rule prohibiting deaccessions for anything other than furthering the collection. The State Education Department, The University of the State of New York. \textit{Heckscher Museum Petition for Exception to Regents Rules.} (Albany, N. Y.: January 27, 2005), 1.

maintaining or growing itself. The Heckscher Museum is a nonprofit entity in the state of New York. Because the sale of Eclipse of the Sun was to fund a building improvement project, the museum was required to file an application with the state's Board of Regents to gain approval for the sale. The consequence for violating the law is revocation of non-profit status. Without non-profit status, the Heckscher would be ineligible for the federal, local and private foundation funds and that are necessary for a non-profit organization to operate. If the Board of Regents agreed with the proposal, the museum would be legally free to proceed with the sale.

Regents Rule §3.27(f) explicitly explains the regulation:

Proceeds derived from the deaccessioning of any property from the collection of a museum shall be placed either in a temporarily restricted fund to be used only for the acquisition, preservation, protection or care of collections, or in a permanently restricted fund the earnings of which shall be used only for the acquisition, preservation, protection or care of collections. In no event shall proceeds derived from the deaccessioning of any property from the collection be used for purposes other than the acquisition, preservation, protection or care of collections. A museum wishing to apply all or any part of such proceeds to any other purpose may apply to the Regents for an exception, which the Regents may grant if in their judgment the exception will benefit the museum's mission, the collection or the public, and if the Regents further determine that the museum has adopted a collection management policy that otherwise complies with the provisions of this subdivision.8

Under the direction of Executive Director Beth Levinthal and the Board of Trustees, the Heckscher filed their application with the state on

7Genocchio, “Masterpiece Around the Corner,” 14NJ 16.
8 State Education Dept., 1-2.
July 12, 2004. The application outlined the financial breakdown of the $19 million. $10 million would be set aside to add to a $300,000 collections fund. The remainder of the proceeds would be combined with an already raised $8 million capital improvement fund “to renovate the existing museum building and to construct one or two new wings.”9 The application also described the various upgrades needed to modernize the museum structure:

Constructed in 1920 and is in need of substantial improvements to its roof, drainage, humidity and temperature control systems and security system. Capital funds will also be used to construct a state-of-the-art storage facility for collections; create a conservation room, sculpture storage areas and works-on-paper storage and viewing areas; and add handicapped accessible restroom facilities.10

In a preliminary phase of approval, the New York State Department of Education reviewed and backed the plan after just over seven months. The application was then passed on to the Board of Regents for final approval on January 27, 2005. In early February 2005, before the Regents voted on the plan, the Heckscher Museum’s proposed sale of Eclipse of the Sun became public.

Initial reaction to the plan was not judgmental. Both museum professionals and the local public were outspokenly opposed to the idea. Executive Director Beth Levinthal put a positive spin on the announcement of the sale; “It gives us the opportunity to do something

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9 Ibid., 2.

10 Ibid., 2.
we've long dreamed about.”\textsuperscript{11} However, objections from both the general and professional public began to overshadow the plan leading to first, a revision of the proposal\textsuperscript{12} and finally, a retraction of the sale altogether.\textsuperscript{13} The public's appreciation for \textit{Eclipse of the Sun} and an overall ethical opposition to the reassignment of collections funds led to the plan's ultimate demise in just under two months of being made public.

\textbf{The Painting}

It is important to understand the painting, \textit{Eclipse of the Sun} (1926) by George Grosz and its relationship with the Heckscher Museum of Art in Huntington, NY to comprehend the full scope of the dispute. \textit{Eclipse of the Sun} is believed to be the center panel of an unfinished triptych. The right panel, \textit{Pillars of Society}, is in the National Gallery of Berlin, while the left panel is assumed to have never been painted.\textsuperscript{14} These


\textsuperscript{14} Matthias Eberle, \textit{World War I and the Weimar Artists} (New Haven, CT.: Yale University Press, 1985), 68.
works are considered "his two most famous allegorical paintings." In 1997 they appeared in retrospective at the Royal Academy of Arts in London where the catalog described them as "the finest examples of what Grosz described as 'modern history painting'." Former Heckscher Museum Director, Christopher Crossman called the work "one of the most important sociopolitical protest paintings in America of the interwar years." New York Times art critic Benjamin Genocchio noted that the painting is critically considered "the most valuable item in the private, non-profit museum's collection."

Eclipse of the Sun is a large oil painting measuring approximately 81 1/2" x 72". The work illustrates a satirical commentary on 1920s politics in Weimar, Germany. The title, Eclipse of the Sun, refers to an image of the sun, a symbol of life, being overtaken by a dollar sign at the top left corner of the painting. The sun floats above a meeting between six men, four of which are headless, and a donkey. In the top right corner the President of Germany stands over a seated General and whispers into his ear. These two men are the figures with heads. The four, headless men are the heads


of state to which the General is speaking. The men are seated around a large green table and are shown writing on pieces of paper. Atop the table, are three objects; a cross, a bloodied sword placed in front of the General, and a blindfolded donkey eating crumpled up paper from a trough. A caged child, a crying baby and a skeleton are all placed in the bottom right corner on the floor.

Figure 2. George Grosz, Eclipse of the Sun, 1926.
The image itself tells something about the life and motivations of George Grosz the artist. In his native Germany, Grosz was politically motivated as part of the New Objectivity movement, a group of German artists committed to social criticism. In *Eclipse of the Sun* Grosz comments on the corruption of the government through the marriage of military and elected officials whom are focused only on wealth and not the good of the people. In Germany, Grosz was persecuted a number of times because of his political views. Eventually, this forced him to flee his home and immigrate to the United States. He moved to New York City in 1933 and *Eclipse of the Sun* was one of the paintings he brought along. In 1948, George Grosz eventually settled in Huntington, New York, also home to the Heckscher Museum, and stayed until his death 1959.

In 1968, anxious to own a work by Huntington's famous former resident-painter, the Heckscher Museum purchased Grosz's painting from a local resident for $15,000. The purchase price was reportedly well under market value, however, it was still expensive for the small museum. A fundraising campaign called 'Operation Rescue' was created to raise the money for the work. The entire community worked together to reach the

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19 Genocchio, "Masterpiece Around the Corner," 14NJ 16.

20 Ibid.

21 Genocchio, "Trading a Masterpiece," 14LI, 1.

22 State Education Dept., 2.
goal, including local school children whom collected and placed pennies in the Heckscher's water fountain.\textsuperscript{23}

Grosz had a strong connection to the Huntington, New York community. But in 2005, the Heckscher Museums Executive Director Beth Levinthal claimed \textit{Eclipse of the Sun} did not fit into the Heckscher's collection strategy. "The strength of the collection is American art and this is where we want to focus our collecting in the future."\textsuperscript{24} The museum's current collection management policy "focused on American Art with an emphasis on the Hudson River School and American Modernist work."\textsuperscript{25} Because \textit{Eclipse of the Sun} is a European, early twentieth century painting, the museum considered the sale of the work justified. In the terms of the collection policy it possibly was. However, the use of proceeds, a building expansion, was not. It was in direct violation of the New York State Board of Regents, the American Association of Museums and numerous other museum governing boards ethical policies. Ironically, the sale was also in violation of the Heckscher Museum's collection management policy, the very document used by the Director to support the sale. The deaccession portion "explicitly restrict[ed] the use of money from sales to acquisitions only."\textsuperscript{26} Levinthal

\begin{footnotesize}
\begin{footnotes}
\item[23] Genocchio, "Trading a Masterpiece," 14LI, 1.
\item[24] Ibid.
\item[25] State Education Dept., 1.
\end{footnotes}
\end{footnotesize}
failed to address this in her statement, choosing only to cite what suited her argument. Therefore, there were many conflicting facets of the sale. They all turned the proposal into a public debate on ethics. The questions and criticisms would first cause a revision of the plan. Then ultimately they would stop the sale of *Eclipse of the Sun* altogether.

**The Debate**

The purchase of *Eclipse of the Sun* was a community effort. Plans to sell the painting were not. After seven months of behind the scenes maneuvering, the proposal was disclosed to the public because of the impending Regents vote. When the news of the sale broke on February 4, 2005 outside reaction was immediate and adverse. Because of a fear of rejection, Heckscher trustees withdrew and revised their original application with the State Board of Regents just before the slated February 8th hearing, preventing a vote.\(^{27}\) The major difference in the plan was a building renovation instead of an addition to the museum. The money was still allocated the same way with just $10 million set aside for collection acquisition funds.\(^{28}\)

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\(^{27}\) Hildebrand, "The Art of the $19M Deal," A8.

\(^{28}\) Hildebrand, "Drawing Up a New Plan," A8.
Executive Director Beth Levinthal explained that the museum feared bias during the Regents hearing because of the negative press.

The executive committee of the museum board was unaware of how much public interest there was in the painting and the proposed sale and felt that adverse media attention had created a climate in which the museum's proposals would not receive a fair hearing at the Board of Regents meeting. While our plans are not yet definite, we feel we have come up with a new proposal that fits within the Board of Regents rules.\footnote{Genocchio, “Trading a Masterpiece,”, 14LI, 1.}

However, a spokesman for the Board of Regents, Tom Dunn weighed in on the Heckscher's proposal: “It's rather uncommon for the Board of Regents to get these kinds of requests, for it's something of a Hippocratic Oath for museums to maintain their collections.”\footnote{Ibid.} Mr. Dunn was not the only person to express concern over the proposal. Other museum governing organizations and professionals weighed in on the plan as well. All of them cited the ethical guidelines commonly held by museum organizations like AAM.

The American Association of Museums, of which the Heckscher was an accredited member, has a Code of Ethics that states “Museums in the United States are grounded in the tradition of public service. They are organized as public trusts, holding their collections and information as a benefit for those they were established to serve.”\footnote{AAM, Code of Ethics for Museums, 4.} It can be argued that the proposed removal of George Grosz's painting from the public sphere
in Huntington, New York was a distinct breach of "public trust." The
history of the arts in Huntington is connected to the lore of George Grosz.

_Eclipse of the Sun_ was the symbol of the artist in the community. It was a
tangible symbol of local history. Therefore its removal from the public
sphere would create distrust in the Heckscher, for as a museum, it was
entrusted to serve the community. Edward McEvoy, the executive
director of the Art League of Long Island noted the significance of the
work to the community. "It would be a shame for it to leave Huntington,
since this is where the man resided."32 Even if the painting no longer fit
into the Heckscher's collection plan, it is arguably the responsibility of the
museum, to seek another public space for _Eclipse of the Sun_ so that it may
remain freely available to the community. The museum did not attempt
to place the work in another local institution. Nor did it attempt to place
the work in any public institution. It did not even offer _Eclipse of the Sun_ to
any other buyer. The Heckscher just accepted an offer from one
individual collector for a large, over market value sum of money.
Therefore, the sale could be argued as not considering the public's benefit,
which is ethically questionable. As Geoffrey Fleming, director of
Southhold Historical Society highlighted: "We're in a field where you
have public trust."33 The sale of _Eclipse of the Sun_ started to erode that
community trust.

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AAM also advises that "collections-related activities promote the public good rather than individual financial gain." Because the buyer offered well over market value for the painting, and the Heckscher did not entertain any other offers, it could also be argued that the museum sought to achieve "individual financial gain" rather than "promote the public good" with the proposed sale of *Eclipse of the Sun*.

AAM ethics codes prohibit the use of proceeds from the sale of a collection object for anything other than the collection, just as the State Board of Regents rule did. The Code of Ethics states: "disposal of collections through sale, trade, or research activities is solely for the advancement of the museum's mission. Proceeds from the sale of nonliving collections . . . in no event shall they be used for anything other than acquisition or direct care of collections." In reference to the Heckscher sale, AAM president Edward H. Able clarified the statement by saying: "It is commonly understood to be constitutive of that which touches an object, such as conservation and preservation activity. It is not commonly understood to cover buildings or storage facilities." And, like the State Board of Regents rule, the act of violating the AAM code is not either absolutely or forcefully punishable. In the case of an egregious violation, AAM may revoke the museum's accreditation. A museum

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35 Ibid.

without AAM accreditation lacks the credibility needed for outside museums to loan artwork for temporary exhibitions and for funders to grant money to the organization. However, revocation is at the discretion of AAM. Besides revocation there are no other legal ramifications for the action.37

Yet, despite the fact that there are no legal penalties for breaching AAM's ethics rules, other museum professionals understood and stood by this value without question. Helen Harrison, director of the Pollack-Krasner House Study Center, a neighboring institution said: "You're not supposed to sell your collection to fix the building. Otherwise museums would sell paintings every time they had a roof leak."38 Art professionals with connections to the Heckscher Museum also weighed in on the debate. Ted Kaplan, an art lawyer, former Heckscher Museum board member and former general counsel for Sotheby's, likened the sale to "building a mausoleum without the body. The Grosz painting is the centerpiece of the collection, and the work for which the museum is famous. Without it the museum looses all its luster."39

Christopher Crossman, a former director of the Heckscher Museum, and current director of the Farnsworth Museum in Rockland,

37 Genocchio, "Trading a Masterpiece.", 14LI, 1.
39 Genocchio, "Trading a Masterpiece," 14LI, 1.
Maine, wrote a scathing letter to the New York Times is response to the plan.

THE Heckscher Museum in Huntington is one of Long Island's rarest jewels. It houses an important collection, and its exhibitions are of the highest quality. Along with its sister institution, the Parrish Museum in Southampton, the Heckscher is among the oldest, most distinguished regional museums in the nation. . .

Selling high-profile works of art has a chilling effect on future donors, whose gifts represent a natural desire to leave a lasting legacy. If the Grosz is sold, its absence will forever diminish not only the Heckscher's collection but all public collections that depend on donors at a time when few museums can afford to purchase key works of art. Admittedly, the Heckscher is facing the difficult choice of having to sacrifice one in order to save other works of art -- but there are better ways to handle this.

For instance, rather than sell this very important painting, the museum should make it the centerpiece of its mission and in doing so create a compelling case for supporting its critical need to expand and renovate. It should use the Grosz painting as the fulcrum for a new emphasis on first- and second-generation émigré artists, ideally, but not necessarily, those with Long Island ties. Through exhibitions, education programs and future collecting, the museum could become an important locus for art and artists dealing with sociopolitical themes.

While this strategy does not solve the Heckscher's building problem, it does create a more compelling case for supporting the museum at both the grass roots and high-end levels. Over time, such support can be translated into achieving capital fundraising goals. Perhaps the Estee Lauder family, whose company has offices in nearby Melville, could offer a substantial challenge grant and help solicit others to participate in a campaign to keep the German Expressionist painting on Long Island. Or perhaps the Heckscher could lease or sell a share in the painting to a New York museum, generating revenue for the board to put toward building renovations. Failing that, the museum could mount a new fundraising campaign and appeal to the hundreds, if not thousands, of individuals and corporations
with the means and commitment to preserving Long Island's artistic heritage.

Try anything. But please do not lose this painting. Selling the Grosz would be a huge loss to the Heckscher and to Long Island as a whole. 40

Crossman's criticism of the deaccession predicted serious credibility issues for the Heckscher. He noted the sometimes dire need for museums to raise funds, but he also noted that the Heckscher would suffer in future fundraising efforts due to their questionable handling of this situation.

Patricia Ralph, a former museum board member, agreed with Mr. Crossman. She also wrote to the New York Times to plead with the current board of the Heckscher to stop the sale.

As a former board member of the Heckscher Museum of Art in Huntington . . . I am opposed to selling George Grosz's painting "Eclipse of the Sun" to finance, in part, any aspect of the proposed wings or repairs to the building. . .

The proposed scheme violates the museum's own deaccessioning policy, which explicitly restricts the use of money from sales to acquisitions only. It also flies in the face of accepted ethics throughout the museum world.

Museum experts warn that selling the painting to use any part of the proceeds for building will damage the Heckscher's credibility. Museums may decline to lend works or participate in shared shows, and collectors and artists may be reluctant to donate to the collection. . . 41

Besides credibility, Ms. Ralph also raised another issue. She spoke of the museum's own deaccessioning plan which prohibited the reassignment of

40 Crossman, 14LI, 17.
41 Ralph, 14LI, 15.
deaccession funds away from acquisitions as they were said to be used only to acquire new art.\textsuperscript{42}

Perhaps in response to this charge, or perhaps in response to reports that the "art staff . . . were not in favor of selling"\textsuperscript{43} either, Executive Director Beth Levinthal went to members of the Heckscher's exhibition and collections committee and asked them to change the current policy "to use proceeds from the sale of artworks in its collection 'for the care and maintenance of the collection, and for acquisitions.'"\textsuperscript{44} However, Ms. Levinthal did not admit the revision had anything to do with the proposed sale. Instead she called the change "part of standard housekeeping."\textsuperscript{45} Levinthal said "We reviewed the policy and found that it was too restrictive."\textsuperscript{46} She added the new policy "better reflected the standards of industry bodies and the state,"\textsuperscript{47} which was arguably untrue according to both the New York State Regents and American Association of Museums laws and spokespeople. Again this seemed to be a flagrant effort by Levinthal to proceed with the sale at all costs. Her actions became increasingly desperate as the situation became increasingly so.

\textsuperscript{42} Genocchio, "Museum Paves Way," 14LI, 2.


\textsuperscript{44} Genocchio, "Museum Paves Way," 14LI, 2.

\textsuperscript{45} Ibid.

\textsuperscript{46} Ibid.

\textsuperscript{47} Ibid.
Throughout all of the public criticism and negative media attention, Levinthal and members of the Heckscher’s Board continued to defend their decision to sell George Grosz’s *Eclipse of the Sun*. They argued back stating this was the only means to care for and maintain the approximately 2,000 works in the collection, which are stored in a cramped, low-ceiling basement. Levinthal explained that the sale was all in effort to build and refine the collection of the museum as well as to improve storage in the building. “This sale is the only way that we feel we can safeguard the future of the collection and the institution. The strength of the collection is American art and this is where we want to focus our collection in the future. Our acquisitions budget is $300,000 now, which isn’t much. With the sale of the painting we will have more than $10 million to buy new work for the collection. The remaining $9 million will be used for the building.”

The Museum Board agreed with the Executive Director as the vote to sell the painting was a unanimous decision with one abstention. Trustee Francis Roberts stated: “We acknowledge that this is not

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48 Genocchio, “Trading a Masterpiece;”, 14LI, 1.
50 Genocchio, “Trading a Masterpiece;”, 14LI, 1.
51 Ibid.
commonplace, even unpopular in some quarters, but the board over a period of a year came to the decision that the sale would be, on balance, in the long-term interests of the museum and the greater Long Island community. There is a fair amount of misunderstanding of the history and intent of this decision.\textsuperscript{52}

Levinthal said "This is not something we have done arbitrarily or even willingly. The museum board has been seriously trying to raise the necessary funds for almost 15 years now to carry out a much needed expansion and renovation."\textsuperscript{53} She also defended the ethical honor of the Heckscher. "We are an upstanding and ethical institution, and are doing everything to meet the legal requirements of the state guidelines."\textsuperscript{54} Obviously this notion could be argued.

\textbf{The End}

Despite the best efforts of Levinthal and the board of trustees to defend them selves from mounting criticism, the board succumbed to the relentless pressure and voted to stop the sale of \textit{Eclipse of the Sun} on March

\textsuperscript{52} Ibid.

\textsuperscript{53} Ibid.

\textsuperscript{54} Genocchio, "Museum Paves Way," 14LI, 2.
21, 2005. Some reports say the buyer retracted his original offer of $19 million and offered $13 to $14 million, closer to the original appraisal, due to the public response. But, Beth Levinthal credited the Heckscher’s constituents with saving the piece. “I think it’s a very powerful message that we’ve gotten from the community – that they feel very strongly about cultural institutions on Long Island, including the Heckscher.” Whereas board chairwoman Mary Hargraves said:

We were worn out by the process. We knew that if we sold it we would lose a certain amount of prestige in the upper echelons of the art world. We’re not trying to ride roughshod over the art staff who were not in favor of selling it, but as a board we felt it important to explore the possibility of selling the painting for the general well-being of the museum. The exploration turned into a nightmare. We were exhausted by the process which has made it hard to get on with the business of running the museum.

Yet regardless of the reasons, Eclipse of the Sun was now safe at home.

Former Heckscher Museum board member and art lawyer Theodore Kaplan praised the decision to stop the sale. “I think it is a wonderful decision. It’s the beginning of an upward growth.” While the museum planned to continue with their expansion funded instead by

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57 Hildebrand, “Artwork to Stay Put.” A16.


outside sources,\textsuperscript{60} Mary Hargraves reported that the George Grosz painting \textit{Eclipse of the Sun} would be displayed “permanently as the centerpiece of the collection.”\textsuperscript{61}

And in a final \textit{reversal}, Executive Director Beth Levinthal curiously said “We feel, and have felt all along, that it is a work that defines the museum.”\textsuperscript{62} Unfortunately, Levinthal’s actions were in contrast to this notion, and her career at the Heckscher seemed clouded by the capital project. Levinthal joined the Heckscher staff in 1994\textsuperscript{63} as the Director of Education and Public Programs.\textsuperscript{64} At this point, the capital campaign to expand the museum was already in its third year, although museum records show the Heckscher had been considering an expansion as early as the 1950’s.\textsuperscript{65} Levinthal, who holds a Bachelor’s degree in Graphic Arts and Design and a Master’s degree in Elementary Education, became the Executive Director in 2001 after serving a year as the interim director.\textsuperscript{66} As Executive Director, her stated primary goal was “the successful

\textsuperscript{60} Genocchio “Heckscher Museum Decides Not to Sell,” 14LI, 9.

\textsuperscript{61} Ibid.


\textsuperscript{66} “Beth Levinthal Named.” and Greenberg.
completion"67 of the expansion. In September 2004, three months after the Heckscher sought approval from the New York State Board of Regents for the sale of Eclipse of the Sun; a ceremonial groundbreaking for the project took place.68 Therefore, it appears that the expansion was hinged on the sale of the painting. That is, until the public spoke out against the plan.

Throughout this process, the Heckscher Museum was reminded that museums have ethical guidelines and rules for a reason. The public depends on museums to protect both the objects in their possession and the interests of the community. Museums are not private operations who can act on their own. They are subject to public scrutiny; therefore it is in their interest to follow the professional ethical guidelines for deaccessions set forth by the various museum associations. There were many red flags in the Heckscher’s plan to sell Eclipse of the Sun. Had Beth Levinthal and the Board of Trustees heeded them, the proposal would have never made it into the public sphere. And, the Heckscher’s credibility would have never been questioned.

67 "Beth Levinthal Named."
68 Ibid.
PROFESSIONAL ETHICAL GUIDELINES FOR DEACCESSIONS

Deaccession Defined

To deaccession or to "permanently remove an object that was once accessioned into a museum collection"\(^{69}\) is a "common practice"\(^{70}\) in contemporary museum stewardship. There are numerous motivations for a museum to choose to divest itself of an object. Perhaps it is a duplicate, or a lesser example of a well represented area in the collection. Perhaps, the object had been irreparably damaged, or the museum does not have the means for properly storing or displaying it. Or perhaps the piece no longer fits into the current scope of the collection, as argued with *Eclipse of the Sun* at the Heckscher. Regardless, deaccessions tend to be more publicly criticized than other museum transactions. This is due to various reasons, including the underlying situation for the deaccession, the place

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in which the object will end up, or the object or objects themselves. Therefore, the public perception of deaccessioning is negative. However, when done properly, there is nothing inherently wrong with deaccessioning. In fact, it is considered a necessary means to creating a meaningful and strong collection.

The controversies that generally arise over deaccessions are not due to the legality of the transactions. Museums are legally allowed to cull their collections. "Under our laws, a nonprofit organization has a broad range of powers. One is the ability to dispose of assets under the supervision of its governing board."\(^{71}\) Questions are usually ethical in nature and many surround the end results of the deaccession; be it the new placement of the object or the use of the proceeds from the sale of the object.

Museum collections are indirectly considered public property. They are designed for the education, enrichment, and enjoyment of the people. As museums are non-profit institutions, they are also largely funded by public moneys. "In public museums the public owns the collections. Through federal aid and federal income tax deductions all American citizens arguably acquire shared ownership in even local museums."\(^{72}\) Therefore, museum constituents often feel they have a personal stake in deaccession transactions. Yet, ultimately it is the

\(^{71}\) Malaro, *Museum Governance*, 52.

\(^{72}\) G. Ellis Burcaw, *Introduction to Museum Work*. (Walnut Creek, CA: AltaMira Press, 1997), 212.
museum board and staff’s responsibility and to propose and execute ethically sound deaccessions as they see fit.

Ethics guidelines have been set up by various professional associations and museums themselves to steer decision makers towards ethical conclusions. These guides are designed to protect both public interest and museum liabilities. Some of the more significant American organizations with ethics codes are the American Association of Museums (AAM), Association of Art Museum Directors (AAMD), and American Association of State and Local History (AASLH).

One issue many of these guidelines address is the relocation of deaccessioned objects. Museums are often encouraged to keep deaccessions in the public sphere. AAM states: “Museums carefully consider whether it is appropriate for the material to remain in the public domain at another nonprofit institution.”73 One of the primary complaints Heckscher constituents had with the sale of *Eclipse of the Sun* was that the painting was being sold to a private, European collector. Therefore, the painting would not only be removed from the public’s eye, it would also be removed from the New York area entirely. And, the local Huntington, New York, area had grown sentimentally and historically attached to George Grosz and his painting.

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73 American Association of Museums, Considerations for AAM Accredited Museums Facing Retrenchment or Downsizing, (Washington, D.C., 28 August 2003), 2.
However, the primary issue individuals had with the sale of *Eclipse of the Sun*, is also the primary complaint with most objectionable deaccessions; the use of proceeds from the sale. Renowned museum operations expert Stephen Weil said: "No aspect of deaccessioning arouses stronger feelings today than the use of proceeds."\(^7^4\) It is the general consensus of professional associations, including those mentioned above, as well as many individual museum policies and some governmental organizations like the New York State Board of Regents, that funds raised from the sale of an object should be used only for the direct benefit of the collection.\(^7^5\) There has been some debate on what constitutes direct care. However, it is understood that simply paying the bills, be it for salaries, building repairs, or building expansions does not fit the definition.

Ethics guidelines were created to protect museum objects, the very things museums were meant to covet, from becoming saleable assets. Without objects, museums would become empty shells. Museum legal and ethics expert Marie Malaro notes this: "For the non-profit, the sale of assets can mean the disposal of part of its very reason for being."\(^7^6\)

While Stephen Weil, in his *Deaccession Reader*, discusses what he called the "dark side" of museum deaccessions; the act of selling objects

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\(^7^5\) Burcaw, 71.

for operational expenses. "Somewhere in the process the temptation may become irresistible to try to slide around the wise rules that the museum community has made for itself and, by one means or another, divert deaccession proceeds back into operations." 77

Today common sentiment warns against selling off objects for monetary gain. Yet, a few decades ago the practice was even encouraged. Weil writes in the Deaccession Reader that he was "astonished" to find a text that he wrote in 1974 stating

Many of a museum's operating expenses relate directly to the custodianship of its collection: curatorial salaries and fringe benefits, storage, insurance, conservation, restoration, atmospheric controls, framing, photography, security, building and records maintenance, etc. The use of deaccession proceeds in these areas is for the benefit, not the detriment of the collection. 78

So why has this become taboo in today's museums? A number of high-profile, dubious deaccession situations, some of which will be discussed later, have created a change in ethical thinking. But first, what exactly those do guidelines say?

77 Weil, 9.
78 Weil, 8.
AAM and "Direct Care"

AAM is the largest and most prominent professional organization for American museums today. AAM governs art and history museums, as well as arboretums and zoos. Accreditation by AAM is akin to having a seal of approval. The process of gaining accreditation is long and arduous. It requires many years of preparation and much scrutiny. Yet, once it is achieved a museum can be proud that it is a member of a selective club of museums that do things "right." This is not only important for an institution's pride, it is also important for the credibility of that institution amongst other museums. A museum with accreditation is worthy enough to play host to valuable artwork from other institutions in traveling exhibitions or through loans. It is necessary to be able to play host to loans in order to bring the highest quality programming to visitors. Therefore, AAM accreditation carries a lot of clout. And as an accredited member of AAM, a museum is expected to act within the various guidelines set forth by their Code of Ethics. The Heckscher Museum is accredited by AAM.

AAM's ethics statement regarding deaccessions, adopted in 1993, says: "Proceeds from the sale of non-living collections are to be used consistent with the established standards of the museum's discipline, but in no event shall they be used for anything other than the acquisition or
direct care of collections." The most significant part of AAM's statement is the allowance for "direct care of collections." The most difficult part of the phrase is its ambiguity. There is no clear cut definition of the term, allowing for museums to broadly interpret the guideline to fit its needs. Many things such as salaries, housing, materials, and conservation could fall into the category and the ambiguous language has led to some questionable deaccessions.

Therefore, in 2003 AAM, tried to demystify "direct care" by stating it was not meant for capital funds. The Considerations for AAM Accredited Museums Facing Retrenchment or Downsizing stated: "The AAM Code of Ethics for Museums specifies that proceeds from sales resulting from deaccessioning can only be used for acquisitions or direct care of collections. While the interpretation of 'direct care' varies between museums and disciplines, there is a strong consensus that it does not include use of funds to pay operational expenses." As a result, the Heckscher's proposal for the sale of Eclipse of the Sun could not have been considered "direct care" in 2005. But, the museum still attempted to use the ambiguity of the phrase as reason for the sale.

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79 Malaro, Museum Governance, 59.

80 AAM, Considerations for Retrenchment or Downsizing, 2.
Other American Museum Association Ethics Codes

The American Association for Museum Directors (AAMD) and the American Association of State and Local History (AASLH) are also important museum associations in America. As their names indicate, they are specific either to art museums or history museums, the two categories most museums fall under. AAMD has the most stringent of all museum association ethics policies. AAMD’s current policy adopted in 1991 states: “Disposal of works of art from a museum’s collection by sale, exchange, or otherwise requires particularly rigorous examination and . . . the moneys (principal and interest) received from the sale of any accessioned work of art must be used only to acquire other works of art.”

However, a similar statement appeared in their ethics policy dating back to the early 1970's. Membership in AAMD is much smaller than AAM, because it is specifically for art museum directors. Beth Levinthal, executive director at the Heckscher was not a member of AAMD and when asked about the policy, she was critical saying the rules “should be revised to allow museums to sell art to improve inadequate facilities.”

AASLH does not have any bearing on the Heckscher Museum, because it is an organization for historical museums, yet it does affect many American museums. AASLH’s Statement of Professional Ethics,

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81 Weil, 155.

implemented in 1992 maintains that: "Collections shall not be capitalized or treated as financial assets." and "Collections shall not be deaccessioned or disposed of in order to provide financial support for institutional operations, facilities maintenance, or any other reason other than the preservation or acquisition of collections." As with AAM, AASLH's policy leaves room for interpretation with the statement "preservation of collections." Preservation may be translated in any number of ways, including facilities, materials, and staff costs, even though AASLH, like AAM and AAMD, warns against "capitalizing the collection." However, as we will see, many museums, not just the Heckscher, still try to reinterpret ethical guidelines to fit their financial agenda by using their collections for monetary gains and not solely for the betterment of the collection.

83 Weil, 149.
WHY TRY IT IF IT’S “WRONG”?

It’s Not the Law

Simply stated, museums go against ethics related policies because they can. These policies are not law; they are ethical guidelines, which are just advisory. In fact, “very little law in the United States inhibits deaccessioning.”84 Ethics are by definition “the system or code of morals of a particular person, religion, or group.”85 To have morals is to have “the capability of making the distinction between wrong and right.”86 To act ethical is to be able to determine right from wrong. To break an ethical rule is frowned upon. Whereas, law is “rules of conduct established and enforced by authority.”87 To break to law is to face to possibility of punishment.

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84 Malaro, Museum Governance, 51.
85 Webster’s New World Dictionary, s.v. “ethics.”
86 Ibid, s.v. “morals.”
87 Ibid, s.v. “law.”
AAM, AAMD, AASLH and others have little power to punish those who violate their ethics codes. They can either figuratively frown upon them or as mentioned earlier, revoke their membership. Revocation of membership and accreditation creates a harsher lending climate with other museums. While this causes the museum and its management shame, the museum does not face closure or the removal of collections if accreditation is revoked. In other words, there are no grave consequences to breaking an ethics code.

However, there are grave consequences to breaking the few laws that do exist regarding deaccessions. The New York State Board of Regents statute states that proceeds from deaccession sales are “to be used only for the acquisition, preservation, protection or care of collections.” Failure to comply with the law exposes an institution to revocation of non-profit status, which would prevent a museum from receiving public funding and could force the institution to close. As with the Heckscher, non-profits are able to apply for exceptions, clearing the way for any deaccession if the proper channels are followed. Therefore, the law is not inflexible.

In some cases, the law is even on the side of deaccessions. Instead of punishing fiscally suffering institutions, the law is inclined to permit and oversee sales to save museums from closing. In 1993, the New York Historical Society teamed with the New York State Attorney General to

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88 State Education Dept., 1.
do this. The Society faced certain closure after years of mismanagement and squandering funds. The Attorney General then arranged for the sell off of over $20 million in objects at public auction for operational funds.\textsuperscript{89} The Attorney General stated that: “Proceeds from the deaccessioned objects or collections may be used for acquisitions, direct care of the collection (e.g. curatorial staff salaries and other expenses incurred in conservation and preservation; re-housing or storage), and collections management.”\textsuperscript{90} Ultimately, the plan saved the New York Historical society, which thirteen years later is over 200 years old. The New York Historical Society was not accredited by AAM at the time. But, it was a member of AASLH, whose ethics code it directly defied under the guidance of the state government.\textsuperscript{91} AASLH did not speak out about the sale.

The quantity and quality of items that were deaccessioned in the sale raised many eyebrows in the museum community. The auction prompted AAM to follow AAMD and AASLH in adopting their deaccession code of ethics in the same year. It also made people more aware and wary of deaccessions. Sales on that scale have not occurred since. Yet, besides proving that large scale deaccessions are unethical, it also proved one more valuable thing: artwork and historic objects are

\textsuperscript{89} Malaro, \textit{Legal Primer}, 231.

\textsuperscript{90} Malaro, \textit{Legal Primer}, 233.

lucrative. To sell them is to make easy money. And, the market for such objects has done nothing but increase since this sale.

**Easy Money**

Recently, funding for non-profits has become increasingly competitive and scarce. There are more non-profits, with higher operational costs and unpredictable charitable funding from the public, private, corporate and foundational sectors. ⁹² AAM's *Considerations for AAM Accredited Museums Facing Retrenchment or Downsizing* calls today “challenging economic times.” ⁹³

Inversely, the market values for many museum objects, especially artwork, have increased exponentially in the last few decades. Museums now find themselves with millions of dollars worth of assets as they struggle to balance budgets in the hundreds of thousands. Yet are these assets liquid? Herein lays the debate.

In 1968, the Heckscher paid $15,000 for *Eclipse of the Sun*. Just 37 years later the painting was set to be sold for $19 million. After a fifteen year capital campaign, the Heckscher was only half-way towards the goal

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⁹² Weil, 88-9.

⁹³ AAM, *Considerations for Retrenchment or Downsizing*, 2.
of $16 million to expand their facility. The fundraising process was becoming tiresome and the appreciation of *Eclipse of the Sun* was staggering. Although, it is unethical, why not liquidate the painting? It no longer even fit into the scope of collections. Only a portion of the proceeds would be used for operational expenses. It would be so easy... And so the reasoning may have gone. Yet these conundrums are increasingly common. Many museum have a “gross disproportion between the estimated market values of their collections and the funds which they generally have available to meet their operating needs.”

The combination of less available funding and a skyrocketing art market makes it very tempting for museums with some amount of financial stress to turn their collections into capital. The sale of just one or two objects with values in the multiple millions of dollars could easily pay for building renovations, expansions, or altogether new structures. For many museums, after years spent trying to raise money the ethical way to no avail, this option seems like the only way. This was the case with the Heckscher. Fundraising is typically a slow process. Therefore, quick deaccessions seems like an obvious solution to budgetary woes. The New York Historical Society and the Heckscher were certainly not the only institutions to believe this.

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94 Weil, 88.
Examples

The practice of using deaccession proceeds for capital funds is quite common despite the current professional ethical codes. As stated earlier, there are few laws preventing museums from deaccessioning objects. But there are ethical guidelines set forth by the major American museum associations, such as AAM, AAMD, and AASLH. AAMD has always been on the forefront of deaccession ethics making it more vocal than AAM or the even more soft-spoken AASLH regarding controversial deaccessions. Therefore, it has led the way in criticizing questionable sales to prevent deaccession funds from going towards operational expenses. Sometimes these criticisms were enough to stop unethical sales and sometimes they came too late. Other times, no criticism was made at all. An overview of violations in the last few decades is useful to give both perspective on the Heckscher's situation and the overall effect criticism has had on ethics in museums.

An early example of AAMD intervening in a deaccession occurred in 1981 at the Fogg Art Museum at Harvard University. Similar to the Heckscher, the museum "proposed to deaccession works of art . . . in order to raise operating funds for what was to be a new wing for the museum."95 After AAMD formally condemned the plan, Harvard

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95 Ibid, 65.
canceled it. Ultimately, the museum proceeded with the expansion, but funding was raised through traditional means.96

In 1987, AAMD tried to prevent the Philips Collection from selling a valuable painting, _Le Violin_, painted in 1914 by George Braque. As at the Heckscher, the Philips wanted to use the proceeds for its endowment. After AAMD notified the Phillips of the ethical violation, the museum decided to use funds from the sale towards the acquisition of new objects, the generally accepted use for deaccession funds.97

As time went on, the New York Historical Society deaccessioned a huge portion of its collection and AAM solidified its own ethics code. Yet AAM was not as outspoken in criticizing members for questionable deaccessions. In 1996, a large lot of Impressionist and American paintings was sold off by the Shelburne Museum to raise money for security, conservation, and curatorial staff. AAM remained silent, as the museum justified the sale as going towards “direct care” for the remaining collection.98

But in the case of the Museum of Northern Arizona, AAM did intervene, although it was too late to stop a significant sale of objects. In 2002, 21 objects were liquidated in private sales to raise capital funds for the financially challenged museum. The Board of Trustees, acting

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96 Ibid.


without a director, took the advice of an auctioneer and chose the easy money route to prevent the financially challenged museum from shutting its doors. However, after AAM stepped in, the board was forced to resign and the accreditation was pulled. This left the museum worse off than before, for now they lacked a strong collection and ethical credit in the museum world.\textsuperscript{99}

In 2005, during the same time the Heckscher struggled with criticism over a proposed sale, the Rhode Island Historical Society executive director fought with board members, staff, constituents, and professional organizations about the sale of a desk. The money earned from the sale of the extremely rare Colonial era piece of furniture would go towards operational funds, as the society had faced financial hardship in recent years. After a few months of endless scrutiny, an anonymous donor gave $750,000 to the Historical Society to temporarily stave off the sale. Had it not been for the donation, the desk would have been sold despite outcries from AAM, the New England Museum Association, and surrounding institutions with similar ethics codes. So far the desk is still in the possession of the [Rhode Island Historical] Society.\textsuperscript{100} Yet without funding, it is not known how long the desk will remain in the possession of the Historical Society.

INTERNET

Therefore, there are many examples deaccession for capital funds. So, what are museums supposed to do in the face of financial distress? If collections carry so much value and it is so difficult to raise funds by conventional means, can museums turn to their objects as assets? Ethics codes forbid it, but the law does not prevent it. What are the best ways in which museums can avoid situations like these altogether?
BEST PRACTICES

Integrity Fosters Funding

When museums deaccession works from their collections there is always a loss. The most obvious loss is the physical one. The object is removed from the collection. The work may no longer fit into the collection or it may have been damaged or of a lesser quality than another collection piece. Therefore it was unlikely used for research, exhibition, or loan. Removal in this case allows for more appropriate objects to fill the space. Therefore, the loss is not glaring, but nonetheless, it is a loss.

Also, constituents may consider a deaccession to be loss if the object is removed from the public sphere through a private sale. In this case, the object is not only removed from view at the institution; it cannot be viewed anywhere else. Therefore, again the object is lost. Yet, generally objects which are deaccessioned are not commonly on view. So again, the loss is not extreme. And, while there is a loss associated with deaccessions, there is also allowance for the collection to mature and grow
and to better serve the viewers because if a deaccession is handled properly, the deaccession makes way for new collection objects.

When an object is sold to raise funds for capital or operational expenses, the loss is more palpable. The object is sold and funds are directed away from the collection. There is no replenishment; instead there is a void where the object once was. Yet, perhaps the object is not missed and the monetary value of the object was so large the museum could use the money for capital improvements as well as new collection objects, just as the Heckscher proposed. What is the loss then? In this case it is more intangible. Collections are replenished and building improvements are completed. Nothing is visibly missing, and there is even more in place than before. However, ethically there is something missing. The thing that is lost is integrity or the “quality or state of being of sound moral principle, uprightness, honesty, and sincerity.”

As non-profit agencies, it is of utmost importance for museums to have integrity. Integrity fosters funding and non-profit museums are dependant on outside funding to exist. Without government, foundational, corporate, and private funding, museums could not operate. Museums could sell off their objects to pay the bills. But eventually the collection would disappear, as would the reason for the museum to operate. Objects would never fiscally sustain a museum for the long term. Outside funding is vital. And without acting with integrity, museums do

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101 Webster's, s.v. “integrity.”
jeopardize outside funding. Therefore, integrity is one of the most important qualities a museum can have.

Today, non-profit organizations face reductions in funding and increases in those seeking funds. Therefore, it is important for museums to act with utmost integrity to compete for those funds which are available. Several negative assumptions may be made of a museum that practices unethical fundraising. All of which adversely effect the likelihood of the museum receiving donations from outside organizations. These assumptions support the notion that shortcuts rarely lead to sustainability. Deaccessioning collection objects to raise money for operational funds is a shortcut to proper fundraising. While the money may appear quickly and with little effort, the outside donor assumption that the institution does not need fiscal support will linger and require much effort to change.

One assumption that may be drawn from deaccessions for capital funds is generally the opposite of what is true; that the museum must have enough available assets in their possession that outside money is not necessary. Oftentimes, these questionable deaccessions only occur when a museum finds itself in financial distress. Yet, donors may believe that if a valuable object was sold, it must not have been valuable to the collection, therefore there must be many other collection objects of greater value. They may also infer, that when more money is needed the museum can just sell something else. Taken further, donors may believe that if all it
takes is to sell some objects to raise money, then the museum should be able to easily provide better programming and add more staff.\textsuperscript{102} This is a key reason why museums must act with integrity, because part of acting with integrity is acting honestly. If museums disclose any financial challenges and constraints they may face before desperate measures, like deaccessions for operational funds, become necessary, donors will not mistake sales of collection objects as signs of excess wealth. And they may be more willing to support the institution to help it through tough times, as Christopher Crossman suggested in his letter to the New York Times editor.

Inversely, donors may believe that if a museum sells its objects as assets, it does not value them. If donors believe a museum does not value its objects, they will not value the remaining collection. Donors will not support a collection that is treated as disposable. Eventually, if a museum persists in selling off collection objects for operational funds, there will be few valuable objects left for donors to support. The museum will not have a reason for existence.\textsuperscript{103} Furthermore, constituents will rightfully presume the institution was financially mismanaged.\textsuperscript{104} Therefore, trustees and directors must work hard towards being honest with donors and must act with integrity to avoid any questionable deaccessions. For

\textsuperscript{102}Weil, 89.

\textsuperscript{103}Ibid.

\textsuperscript{104}Malaro, \textit{A Legal Primer}, 233.
these deaccessions only lead to mistrust and ultimately patron's fiscal abandonment.

The shortcut effect may find its way into the Board of Trustees as well. A primary duty of a museum trustee is to ensure the institution's sustainability through fundraising efforts. Trustees may be less likely to work towards attaining money for the museum if they see that a simple sale could easily raise large sums of money.105 Yet, this is an unethical means for raising funds. And outside donors will follow the example of the museum's board. Therefore, it is of utmost importance for museum trustees to act with integrity and to show they value collection objects. If trustees do not show appreciation for the collection, others will not either. By avoiding questionable deaccessions, the "trustee recognizes the importance of never compromising integrity."106 And by never compromising integrity, a trustee proves the museum is worth supporting.

By acting honestly and with integrity, a museum provides itself with a basis for asking for outside funding. Integrity also helps shield museums from public objection if funding becomes scarily low. If a museum is honest about its finances at all times, it is more likely that its constituents would treat financial hardship with understanding, as well as fund a special project like an expansion. Yet there are other necessary


106 Malaro, Museum Governance, 20.
steps a museum must take to ensure continued funding. Primarily that funding cannot come from just one place.

Diversify, Diversify, Diversify

While integrity is fundamental to breeding outside support for museums, it is not the only factor necessary in creating a financially sound institution. Diverse fundraising is essential to sustain a non-profit museum. Many and varied funding sources are necessary to protect museums from economic hardships. It is not wise to depend too heavily on any one funding source because support can quickly disappear. For example, a museum too reliant on governmental funding could suffer heavily if the state budget faces deep cuts for. Museums that are too dependant on corporate sponsorship could also be forced to decrease programs if the corporation is purchased or has financial hardship itself. Likewise, heavy dependence on individuals is risky because they could move away, pass away, or choose to support different organizations. Foundational money could also cease if trustees decide to seek new beneficiaries. Thus, museums must look for new and creative ways to cultivate and stabilize funding. Otherwise, the easy money found in selling off collection objects will be their only option for survival.
AAM advocates "cultivating diverse sources of income" as a means to "foster financial stability."\textsuperscript{107} There are many revenue creating activities a museum can participate in to diversify their funds. These include but are not limited to admission fees, memberships, special events, facility rentals, shop sales, and endowments as well as the traditional grant and individual donations. AAM also suggest "building partnerships"\textsuperscript{108} with public, private, and governmental agencies. These partnerships may prove favorable in light of both hardships and special projects. If a museum suddenly finds itself sliding towards financial ruin a partner could help back it. Or, if a museum would like to renovate a wing, the partner could help tap previously unknown sources of support. To be financially successful, museums must participate in many if not all of these activities.

Diverse fundraising methods are crucial in museum sustainability. With multiple sources of income, museums are less likely to liquefy their collections. Diverse resources ensure that some form of income is always flowing through the budget. Hard times are not necessarily desperate with diversified income. The more diverse the income, the more individuals learn of the museum. And the more educated the public becomes about the institution, the better the funding will be.

\textsuperscript{107} AAM, \textit{Considerations for Retrenchment or Downsizing}, 5.

\textsuperscript{108} Ibid.
Education

If a community is educated and informed about a local museum, it is more likely to value the institution as a community asset. Accordingly, when a museum is a respected interest in the community, the community is more likely to lend sustained financial assistance to the museum. Engaged communities also lend time, participate in programs, attend special events and act as ambassadors for the museum. The more respected the museum, the more likely it is to be utilized by a large constituency, garnering even more income. During financial hardship, a "civically engaged"\textsuperscript{109} museum is more likely to receive supplemental support from community members because it is a valued institution. As discussed in a previous section, museum collections theoretically belong to the community. If the community feels strongly about the museum, it will have a vested interest in saving the collection. Therefore, it will fight against unethical deaccessions, as we saw with the Heckscher Museum. It is better to not fight the community, but instead work with it to ensure museum sustainability. Community education is the key to creating and maintaining a large supportive constituency. Thus, education engages communities.

Education does not end with constituents. In order to stop unethical deaccessions, it is extremely important to educate museum

\textsuperscript{109} Ibid.
professionals as well. Perhaps, not all museum professionals are aware of deaccession ethics standards. If so, it is imperative to publicize the generally accepted deaccession policy adopted by all professional museum organizations and most well-respected museums. An open dialogue amongst museum professionals should continue beyond the yearly industry meetings. It should be ongoing. Therefore, museum professionals will not only educate each other about, they will also help protect one another from unethical or even illegal deaccessions.

Also, AAM, AAMD, AASLH and all other associations a museum may belong to should enforce their ethics codes as a means of enlightening the museum community. They do not need the law to enforce their rules. Laws regarding deaccessions would only unnecessarily restrict museums and are not required for museums to remain ethical. Museums will be less likely to breach the rules if professional associations strongly protect their guidelines by ardently reprimanding those who violate them. The more situations that are brought to the forefront, the more situations will be averted, as more museum professionals will fear repercussions if they go against standard guidelines. Also, museum professionals who are not aware of the regulations will be made aware of them through the publicity of the situations. If it becomes common knowledge that deaccessions for capital funding is wrong, there will be less chance that museums could wrongly interpret the guidelines. Eventually, through education, these types of
deaccessions will not occur. Therefore, education is an important tool in preventing unethical deaccessions.
CONCLUSION

It was only thirty years ago, in 1974, that Stephen Weil advocated deaccessions to support operational funds. By 1994, all major American museum associations forbade the practice in their codes of ethics. Twelve years later, the Heckscher tried and failed to sell off high value collection object for capital profit. Therefore, the practice of deaccessioning for the benefit of the collection and not for operational expenses is still fairly new in museum discourse. Attitudes in the museum community are changing and becoming more concerned about the ethics code. As discussed, the New York Historical Society and the Shelburne succeeded in liquidating collection objects in the mid-1990's. But, the Museum of Northern Arizona was stiffly reprimanded in 2002 for participating in unethical deaccession activities, and the Heckscher and Rhode Island Historical Society proposed sales were stopped in 2005 by public condemnation.

On a final note from the Heckscher Museum of Art: from December, 2005 through March, 2006 Eclipse of the Sun was on view in what it called a “special installation” of “the most famous and important
painting on Long Island."\textsuperscript{110} Shortly thereafter, in May, 2006, executive
director Beth Levinthal announced her resignation from the museum in a
heartfelt letter to patrons. (She now serves as the Director of the Hofstra
University Museum in neighboring Hempstead, New York.) Although
the role \textit{Eclipse of the Sun} played in Levinthal's decision to resign is
unknown, it is hard to imagine she was not influenced by the situation on
some level. Perhaps in reference to the predicament, she noted that
constituents "have challenged me and the members of the professional
staff to achieve more and greater things for this fine Museum."
\textsuperscript{111} Levinthal added "we have secured offsite state-of-the-art storage facilities
to assure the safety of our precious works of art. We still strive toward the
long-awaited expansion, which is necessary to continue the growth of our
outreach to this vital community."\textsuperscript{112} Although not confirmed, it could be
assumed that public and professional pressures did have a larger impact on
the Heckscher Museum than just preventing the sale of \textit{Eclipse of the Sun}.

Examples show that it is only a matter of time before museums
move away from using collection objects for capital funds. I predict that
eventually this practice will no longer be attempted and American
museum collections, constituents and professionals will be protected from

\textsuperscript{110} "George Grosz \textit{Eclipse of the Sun}," in Heckscher Museum of Art General
Information Page [cited 22 September 2006] available from
http://www.heckscher.org/groszeclipse.htm; INTERNET.

\textsuperscript{111} Beth Levinthal, "From the Executive Director May-June, 2006," in
Heckscher Museum of Art From the Director Page [Cited 27 July 2006] available from
http://www.heckscher.org/director.htm; INTERNET.

\textsuperscript{112} Ibid.
unethical deaccessions as a means for fundraising. Hopefully, this is not far off. The circumstances at the Heckscher Museum were not remarkable. They were typical of the current conditions in the museum field. Yet, they were not right. It is imperative for museums to follow proper fundraising protocol to protect our collections. For, housed within the walls of American museums is our history. And, as museum professional, it is our duty to protect it.
APPENDIX 1
Heckscher Museum Petition for Exemption to Regents Rule

TO: The Honorable the Members of the Board of Regents
FROM: Carole F. Huxley

COMMITTEE: Full Board
TITLE OF ITEM: Heckscher Museum Petition for Exception to Regents Rules

DATE OF SUBMISSION: January 27, 2005
PROPOSED HANDLING: Action

RATIONALE FOR ITEM: The Heckscher Museum has petitioned for an exception to Regents Rule 3.27(f) to allow it to use cash proceeds in excess of $10 million from the sale of a painting for a purpose other than care of collections, namely, to fund building renovations and improvements. The request is reasonable in that the painting has been appraised at $10 million; therefore, $10 million in proceeds will go toward collections with the excess to be spent for capital improvements to better store, protect and display the collection. The Rule allows the Regents to grant the exception.

STRATEGIC GOAL: 2

AUTHORIZATION(S):

SUMMARY: On July 12, 2004, Heckscher Museum (the “Museum”) petitioned for an exception to Regents Rule §3.27(f) to allow it to use a portion of the proceeds from sale of a painting for a purpose other than collections, namely, for building renovations and improvements.
The Museum holds an absolute charter granted in the first instance by the Regents on June 28, 1957. The charter has not been amended.

Rule §3.27(f) provides:

Proceeds derived from the deaccessioning of any property from the collection of a museum shall be placed either in a temporarily restricted fund to be used only for the acquisition, preservation, protection or care of collections, or in a permanently restricted fund the earnings of which shall be used only for the acquisition, preservation, protection or care of collections. In no event shall proceeds derived from the deaccessioning of any property from the collection be used for purposes other than the acquisition, preservation, protection or care of collections. A museum wishing to apply all or any part of such proceeds to any other purpose may apply to the Regents for an exception, which the Regents may grant if in their judgment the exception will benefit the museum's mission, the collection or the public, and if the Regents further determine that the museum has adopted a collection management policy that otherwise complies with the provisions of this subdivision.

The Museum owns an oil painting by the German Expressionist George Grosz, *Eclipse of the Sun* (1926), which the Museum acquired through purchase from a local art gallery in 1968 for $15,000, using museum funds. The Museum originally purchased the work because Grosz resided in Huntington for some time during the 1950s. The painting does not fit within the Museum's current collection management policy, which the Museum states is "focused on American Art with an emphasis on the Hudson River School and American Modernist work."

The Museum's Board has negotiated to sell the painting to a private collector of German Expressionist art for $22.1 million. The collector is willing to pay a premium for the painting.

The Museum's right to sell the item through private sale and not public action is not in question. The Museum, at our request, took steps to verify the value of the painting. The Museum obtained a written appraisal from an independent qualified art expert stating that the painting is worth $10 million. They then contacted a New York museum which collects German Expressionist but they were not interested in acquiring the painting. They then approached a collector of such art who was also not interested. The Museum finally contacted
a large art auction house, which determined one of its customers might bid up to $15 million.

The Museum proposes to use $10 million of the sale proceeds to add to its permanently restricted collections fund, which currently stands at approximately $300,000; and to use the balance of the sale proceeds to add to an existing capital campaign fund of $8 million to renovate the existing museum building and to construct one or two new wings, for a total cost of $18 million. The Museum building was constructed in 1920 and is in need of substantial improvements to its roof, drainage, humidity and temperature control systems and security system. Capital funds will also be used to construct a state-of-the-art storage facility for collections; create a conservation room, sculpture storage areas and works-on-paper storage and viewing areas; and add handicapped accessible restroom facilities.

Recommendation: The Museum has adopted a collection management policy that complies with the provisions of Rule §3.27(f). The Museum’s dissolution is not contemplated. I have reviewed the application and the supporting materials. Staff have discussed the proposed sale at length with the Museum’s Executive Director and its two attorneys. I find that the proposed sale is in the best interests of the Museum, and will benefit the Museum’s mission, the collection and the public. Accordingly, I recommend the Regents grant the petition of Heckscher Museum for an exception to Rule §3.27(f).
VOTED, that the Regents grant the petition of Heckscher Museum, Huntington, for an exception to Regents Rule §3.27(f) to allow it to use cash proceeds in excess of $10 million from the sale of a painting to fund building renovations and improvements.
APPENDIX 2

Patricia Ralph, Letter to the Editor, New York Times, February 27, 2005

To the Editor:
Re "Trading a Masterpiece for a Dream" (Feb. 13):

As a former board member of the Heckscher Museum of Art in Huntington, I have been a steadfast supporter of the museum's expansion and a contributor to the capital campaign. However, I am opposed to selling George Grosz's painting "Eclipse of the Sun" to finance, in part, any aspect of the proposed wings or repairs to the building.

The argument that dollars in excess of an appraised value can be spent on the museum's building is disingenuous. The offered amount, not someone's appraisal, establishes value.

The proposed scheme violates the museum's own deaccessioning policy, which explicitly restricts the use of money from sales to acquisitions only. It also flies in the face of accepted ethics throughout the museum world.

Museum experts warn that selling the painting to use any part of the proceeds for building will damage the Heckscher's credibility. Museums may decline to lend works or participate in shared shows, and collectors and artists may be reluctant to donate to the collection.

If the Board of Regents permits this deal, it will set an unfortunate precedent. The tilting table top in the painting will then be seen as a metaphor for the slippery slope everyone is treading.

Patricia Ralph
Centerport
APPENDIX 3

Christopher Crossman, Letter to the Editor, New York Times, March 20, 2005

The Heckscher Museum in Huntington is one of Long Island's rarest jewels. It houses an important collection, and its exhibitions are of the highest quality. Along with its sister institution, the Parrish Museum in Southampton, the Heckscher is among the oldest, most distinguished regional museums in the nation.

Like most small museums outside major cities, the Heckscher faces serious financial challenges and physical constraints. But the news that the Heckscher's board has decided to sell one of the museum's greatest treasures, George Grosz's "Eclipse of the Sun," to help pay for renovations is extremely disturbing.

It is one thing for the Museum of Modern Art to sell a Van Gogh or for the Guggenheim to sell a Kandinsky. They have other, more important works by these artists; moreover, the proceeds are restricted to acquiring additional works to build on existing strengths or fill gaps in the collection in accordance with very precise guidelines set forth by the Association of Art Museum Directors. The Heckscher is bound by the less strict guidelines of the American Association of Museums. These guidelines recognize the diversity of the museums in the association, whose members include zoos and botanical gardens, and acknowledge the inevitable loss of replaceable, if rare, specimens like tigers or exotic orchids. But the problem is that unlike animals or plants, paintings and sculpture do not reproduce.

Judicious pruning of museum collections is fairly commonplace and something that all museums should do to stay fresh. For the most part "deaccessioning" is akin to periodic housecleaning to remove items that either don't belong in a collection or don't reflect a museum's evolving mission. But museums rarely, if ever, will consider selling premier works unless doing so can lead to the acquisition of even better examples. The only works that museums should consider selling are those that are either redundant or out of keeping with the mission.

The argument that money earned from sales can go to conservation, proper housing of collections and increased exhibition space seems reasonable on its face. But in fact these items are day-to-day costs that should be borne by the
operating budget or restricted endowment or capital funds allocated for these purposes. If artworks are required to pay for their own care and feeding, the result is a form of cannibalism, eating one's own children to sustain an institution that no longer has any reason to exist.

The Grosz painting, which has been appraised at between $10 million and $12 million, is a signature work of the 1920's. It was a brilliant acquisition by the museum in 1968, paid for in part by the people of Huntington through a community-wide subscription. With "Eclipse of the Sun," Grosz, a political refugee from Nazi Germany who lived in Huntington from 1948 to 1959, produced one of the most important sociopolitical protest paintings in America of the interwar years. His painting, which shows headless cabinet members and a general meeting with a businessman, is a powerful indictment of the German military-industrial complex that arose after World War I and that fueled the nationalist frenzy leading to the rise of Nazism and World War II.

Selling high-profile works of art has a chilling effect on future donors, whose gifts represent a natural desire to leave a lasting legacy. If the Grosz is sold, its absence will forever diminish not only the Hecksher's collection but all public collections that depend on donors at a time when few museums can afford to purchase key works of art. Admittedly, the Hecksher is facing the difficult choice of having to sacrifice one in order to save other works of art -- but there are better ways to handle this.

For instance, rather than sell this very important painting, the museum should make it the centerpiece of its mission and in doing so create a compelling case for supporting its critical need to expand and renovate. It should use the Grosz painting as the fulcrum for a new emphasis on first- and second-generation émigré artists, ideally, but not necessarily, those with Long Island ties. Through exhibitions, education programs and future collecting, the museum could become an important locus for art and artists dealing with sociopolitical themes.

While this strategy does not solve the Hecksher's building problem, it does create a more compelling case for supporting the museum at both the grass roots and high-end levels. Over time, such support can be translated into achieving capital fundraising goals. Perhaps the Estee Lauder family, whose company has offices in nearby Melville, could offer a substantial challenge grant and help solicit others to participate in a campaign to keep the German Expressionist painting on Long Island. Or perhaps the Hecksher could lease or sell a share in the painting to a New York museum, generating revenue for the board to put toward building renovations. Failing that, the museum could mount a new fundraising campaign and appeal to the hundreds, if not thousands, of individuals and corporations with the means and commitment to preserving Long Island's artistic heritage.
Try anything. But please do not lose this painting. Selling the Grosz would be a huge loss to the Heckscher and to Long Island as a whole.

Christopher Crossman, a former director of the Heckscher Museum, is now the director of the Farnsworth Museum in Farnsworth, Me.
APPENDIX 4

Heckscher Museum Executive Director Beth Levinthal

Resignation Letter

From the Executive Director
May - June, 2006

We travel along the path of life's journey and, if we are fortunate, we will experience wonderful moments to be treasured and encounter individuals who impact us with their talent, dedication, and spirit. As the Executive Director and former Director of Education and Public Programs for the Heckscher, I have been fortunate during my tenure to meet thousands of individuals who have forever positively changed the course of my life. It is with a deep sense of gratitude that I write to you, the Board of Trustees, staff, friends, and members of the Heckscher, for, over the past eleven years of my life, you have encouraged and motivated my actions, and you have challenged me and the members of the professional staff to achieve more and greater things for this fine Museum.

As I reflect upon the accomplishments of the Heckscher during my tenure, I know that the numerous public programs and exhibitions which have been created and implemented have impacted hundreds of thousands of individuals of all ages. The awareness of the Museum and its reputation have grown substantially. The collection itself has seen the addition of over 600 works, and we have secured offsite state-of-the-art storage facilities to assure the safety of our precious works of art. We still strive toward the long-awaited expansion, which is necessary to continue the growth of our outreach to this vital community.

We have had a long-standing, strong partnership and collaboration with the Art League of Long Island, and when we mounted Aaron Copland's America, an exhibit brought forth from my concept to pay tribute to this esteemed American composer through the art, literature, dance, and music that comprised twentieth-century American culture, it began a new era in collaboration with other arts and cultural organizations on Long Island. We have now established ongoing collaborations with the Cinema Arts Centre, the Cold Spring Harbor Laboratory, the Huntington Arts Council, the Huntington Public Library, the Tilles Center, the Usdan Center for the Performing Arts, and numerous school districts and other organizations.
During my tenure, the Heckscher has presented other unique exhibitions such as The Golden Age of American Impressionism; Genetic Expressions: Art After DNA; and A Century of Collecting, to name a few that have engaged our audiences and paved the way for future exhibitions that challenge and inspire. The very gallery walls of the Museum now have color; The Museum Shop sparkles and has enticing, unique, one-of-a-kind objects that delight. In so many ways, it has been a joy and a privilege to bring the Museum to this next phase of its existence.

After eleven years, it is now time for me to seek new professional opportunities in my life. As I begin the transition toward my departure from the Museum, I thank you all for allowing me the honor of serving this community. I wish you many years of personal pleasure and individual growth as you continue to enjoy the varied offerings and the beautiful and rich Permanent Collection that define this remarkable institution.

With best wishes,

Beth E. Levinthal

Executive Director
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