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The Economics of Art Museums



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The Economics of Art Museums

Edited and with an Introduction by

Martin Feldstein



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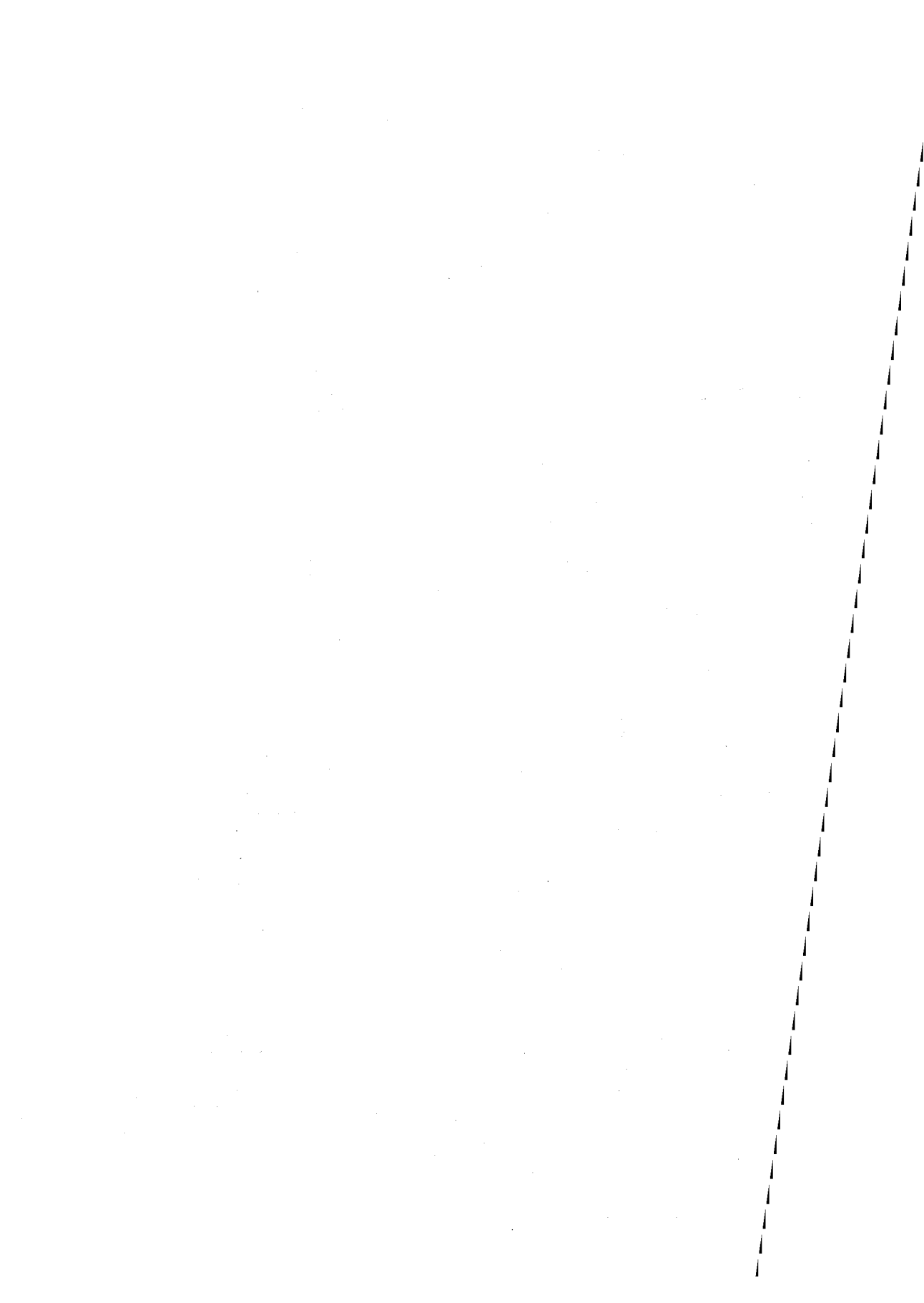
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Preface

The National Bureau of Economic Research organized a project to explore the economic issues facing the major art museums of the United States. For this purpose we defined economics broadly to include not only the financial situation of the museums but also the management and growth of museum collections, the museums' relationship with the public, and the role of the government in supporting art museums.

This volume brings together nontechnical essays on these issues by economists associated with the National Bureau of Economic Research and personal statements by leaders of our major national art museums and related foundations. I hope that it will be read not only by economists but also by museum officials and trustees. Museum directors generally come to their responsibilities with a background in art history and curatorial work but without experience in thinking about the management and public policy aspects of museum administration. Trustees who serve on museum boards generally have a background in business or law but have not previously tried to apply their experience to the unusual economic problems of museums. I hope that the background papers, the panelists' remarks, and the summary of the discussion will help them to approach their responsibilities with a better understanding of the problems and possibilities of the museum.

A small group of NBER economists met in 1989 to examine these issues informally and to plan the specific research. We benefited from the participation of several officials of leading museums and of the Association of Art Museum Directors (AAMD). In organizing this project I also had very helpful personal discussions about these issues with Neil Rudenstine, then of the Mellon Foundation, and Alan Shestack of the Museum of Fine Arts, Boston.

The Association of Art Museum Directors conducts an annual statistical survey of its members to obtain information on finances and attendance. We are grateful to the AAMD and in particular to Bruce H. Evans, Director of the

Dayton Art Institute, who supervises the annual survey, for their cooperation in providing these data. An analysis of several aspects of these data is presented by Professor Richard N. Rosett in the first background paper of this volume. Several other researchers in the project also used these data for their work.

In December 1989 the project culminated in a two-day conference at which the NBER economists who prepared the background papers met with directors and curators from principal American museums and other leaders of the museum community. The small size of the group allowed for a lively discussion that, in my view, successfully bridged the two cultures. Our meeting was organized into five sessions: (1) The Museum's Collection, (2) The Museum and the Public, (3) Museum Finances, (4) The Museum and the Government, and (5) a final overview session aimed at integrating these separate issues.

Each session was launched by three or four personal statements. The full texts of these remarks are presented in the first part of this volume together with summaries of each discussion. The background papers appear in the second part of this volume. I am grateful to all of the participants for their contributions to the project and for their participation in the conference. I also want to thank Professor Douglas Elmendorf of Harvard University and the NBER for preparing the summary of the discussion and for his general help with editing this volume.

Financial support for this project came from the J. Paul Getty Foundation, the Mellon Foundation, the New York Times Foundation, and Mr. David Rockefeller. I am grateful to all of them for their generosity.

I am also pleased to thank several members of the NBER staff for their assistance in the planning and execution of the meetings and in the preparation of this volume, particularly Kirsten Foss Davis, Ilana Hardesty, Mark Fitz-Patrick, Kathi Smith, and Candace Morrissey.

Martin Feldstein