

SPRING 2018

ART & MARKETS

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Introduction

The goal of this seminar is to be a follow-up to *History of Art Markets* (ARTHIST 231D; ECON 344D; VMS 242D). Here, however, the objective is to engage in advanced research on historical art markets, the emergence of new art markets, creative industries, art investment and interactions between market behavior and artistic production. Research in Art Markets involved many unanswered empirical questions that require a cross-disciplinary, methodological framework for developing new work hypothesis and empirically testable propositions. This requires a combination of humanistic, scientific and social scientific methodologies. In this seminar, students work in cross-disciplinary teams (composed of at least one representative of the humanities, sciences and social sciences) in consultation with the DALMI Teaching and Research Assistant Team. The pedagogical objective here is to effectively work as a vertically integrated team (graduates and undergraduates from the humanities, sciences and social sciences, as well as JD/MA and MBA students) on one specific research topic over the course of the semester. Individual disciplinary skillsets and methodologies are combined in one coherent research question involving a jointly integrated methodology.

Research Teams & Projects

Topics for your research projects will be decided in consultation with the TA-RA team and the instructor. Each team should consist of **3 or 4 members** for a maximum of 6 research teams and will receive feedback on their progress from the DALMI team, the instructor and their peers. In the second half of the semester teams will present their final research twice, with the second presentation serving as a revised follow-up (based on peer and instructor feedback) to the first. Aside from these lengthier and more comprehensive presentations, however, regular informal updates on progress and struggles will be expected throughout the semester (during in-class discussions and meetings with the TA-RA team).

At the end of the seminar, all teams will hand in a research paper of **10,000 to 12,000 words** that clearly demonstrates the group's ability to engage in original cross-disciplinary and data-driven research. The final paper is **due by 11:55pm on Wednesday, April 25th** via the designated assignment on Sakai. Additional guidelines will be circulated after Spring Break.

Weekly Readings & Response Papers

During the first half of the semester, weekly readings and discussions will accompany the students' progression towards their team research projects. All of the required readings are assigned for the date under which they appear. Seminar participants are expected to read and critically analyze these materials to come to class well prepared to participate in discussions.

In addition to completing the readings, students must submit **1-2 page (double-spaced) response papers** for each week in which readings are assigned. You may choose to address one or more of the readings in these short assignments, but are expected to critically analyze content and contextualize arguments within broader art historical and/or economic themes. These papers are **due via the designated assignment on Sakai no later than 11:55pm the Tuesday BEFORE seminar**, and will be used to facilitate in-class discussions.

Final Grading

Your final grade is based on your individual reading responses reports and active class participation, group progress reports, group presentations and final group research paper.

Reading Responses & Class Participation	25 %
Progress Reports & Presentations	25 %
Final Research Paper	50 %

No course credit will be given unless **ALL** components of the final grade are completed.

Office Hours

Tuesdays 1:00-4:00PM in A251 (DALMI Office) Bay 10, Smith Warehouse. To arrange a meeting outside of these hours, please contact Fiene Leunissen fiene.leunissen@duke.edu

*All assignments are subject to change.

Seminar Schedule

17 Jan – Classes cancelled – Duke Severe Weather Policy

24 Jan – History of Art Markets

Readings:

- Neil De Marchi and Hans J. Van Miegroet, “History of Art Markets,” in Victor Ginsburgh and David Throsby (eds.), *Handbook on the Economics of Art and Culture* (Elsevier Science: Amsterdam-London-Tokyo, 2006), pp. 69-122.
- Olav Velthuis, “Art Markets” in Ruth Towse (eds.), *A Handbook of cultural Economics*, Second Edition (Cheltenham, 2011), pp. 33-42.
- Jan de Vries, “Art History” in David Freedberg and Jan de Vries (eds.), *Art in History, History in Art: Studies in Seventeenth century Dutch Culture*, (Getty Center for the History of Art and Humanities, 1991), pp. 249-282.

31 Jan – Art Dealers, Galleries

→Finalize research teams (max. 4 people) and plan team meeting with TA’s to discuss potential research topics

Readings:

- Olav Velthuis, “Art dealers” in Ruth Towse (eds.), *A Handbook of cultural Economics*, Second Edition, (Cheltenham, 2011), pp. 28-32.
- Brian O’Doherty, *Inside the White Cube: The Ideology of the Gallery Space* (London, 1976), pp. 13-34.
- Olav Velthuis, “Globalization of Markets for Contemporary Art. Why local ties remain dominant in Amsterdam and Berlin,” *Journal European Societies* 15 (2013), pp. 290-308.
- Don Thompson, *The \$12 Million Stuffed Shark: The Curious Economics of Contemporary Art* (New York: St. Martin’s Press), pp. 27-60.

7 Feb – Why Auctions?

→ Research teams present on their topic, research questions, proposed methods, data sources and working hypotheses in class (5-10 min). Further they turn in a detailed Research Proposal (min. 3 pages) in which they discuss the above elements and provide a selected bibliography (hardcopies due in class).

Readings:

- Orley Ashenfelter & Kathryn Graddy, “Art Auctions” in: Ruth Towse (eds.), *A Handbook of Cultural Economics*, Second Edition (Cheltenham, 2011), pp. 19-27.
- Alan Beggs & Kathryn Graddy, “Declining Values and the Afternoon Effect: Evidence from Art Auctions,” *The RAND Journal of Economics* 28:3 (1997), pp. 544-565.
- Dakshina G. De Silva, Rachel A.J. Pownall, Leonard Wolk, “Does the sun ‘shine’ on art prices?” *Journal of Economic Behavior & Organization* 82 (2012), pp. 167-178.
- Neil de Marchi, “The role of Dutch auctions and lotteries in shaping the art market(s) of 17th century Holland,” *Journal of Economic Behavior & Organization* 28:2 (1995), pp. 203-221.

14 Feb – Museums & Collectors

Readings:

- Bruno S. Frey & Stephan Meier, “The Economics of Museums” in Victor Ginsburgh and David Throsby (eds.), *Handbook on the Economics of Art and Culture* (Elsevier Science: Amsterdam-London-Tokyo, 2006), pp. 1017-1047.
- Tony Bennett, *The Birth of the Museum: History, Theory, Politics*, Abingdon (1995), pp 17-58.
- “Private Art Museum Report,” Larry’s List Ltd. & AMMA (2016)
- J. Mark Schuster, “Neither Public nor Private: The Hybridization of Museums” *Journal of Cultural Economics* 22 (1998), pp. 127-150.
- Geraldine Fabrikant, “European Museums Adapt to the American way of Giving,” *The New York Times* (March 15, 2016).
http://www.nytimes.com/2016/03/17/arts/design/european-museums-are-shifting-to-american-way-of-giving.html?_r=0.

21 Feb – NO CLASS (ANNUAL COLLEGE ART ASSOCIATION MEETING)

28 Feb – Investing in Art

→ Research teams turn in a Project Report with Data Codebook in which they include: (1) an update on the status of their project and data collection process; and (2) a description of the dataset as a list of variables with their descriptions and the scope covered (hardcopies due in class).

Readings:

- Bruno S. Frey, Reiner Eichenberger, “On the rate of return in the art market: Survey and evaluation,” *European Economic Review* 39 (1995), pp. 528-537.
- Benjamin Mandel, “Art as Investment and Conspicuous Consumption Good,” *American Economic Review* 99:4 (2009): 1653-1663.
- Noah Horowitz, *Art of the Deal: Contemporary Art in a Global Financial Market* (Princeton, 2011), pp. 143-187.
- Andrew Worthington and Helen Higgs, “Art as an investment: Risk, Return and portfolio diversification in major painting markets,” *Accounting and Finance* 44:2 (2004), pp. 257-272.
- Roman Kräussl, “Art as an Alternate Asset Class: Risk and Return Characteristics of the Middle Eastern and Northern African Art Markets” in Olav Velthuis and Stefano Baia Curioni (eds.), *Cosmopolitan Canvases: The Globalization of Markets for Contemporary Art* (Oxford, 2015), pp. 147-169.

7 March – Marketing Creativity, Creative Industries

→ Group discussion Creative Industries Team and feedback on project reports

Readings:

- Ruth Towse, “Creative Industries,” and “Creativity,” (eds.), *Handbook of Cultural Economics* Second Edition (Cheltenham, 2011), pp. 125-137.
- Richard Florida, “The Creative Class,” in *The Rise of the Creative Class* (Basic Books: New York, 2012), pp. 35-62.
- Steven Malanga, “The Curse of the Creative Class” *City Journal* (2004). <http://www.city-journal.org/html/curse-creative-class-12491.html>
- Claartje Rasterhoff, *Painting and Publishing as Cultural Industries. The fabric of creativity in the Dutch Republic, 1580-1800* (Amsterdam, 2017), pp. 15-27.
- Christiane Hellmanzik and John O’Hagan, “Clustering and migration of important visual artists: Broad historical evidence,” *Historical Methods: Journal of Quantitative and Interdisciplinary History* 40:3 (2008): 121-136.

14 Mar – NO CLASS (SPRING BREAK)

21 Mar – Art Markets in the Digital Age

Readings:

- “Hiscox Online Art Trade Report” (2016).
<https://www.hiscox.co.uk/online-art-trade-report/docs/hiscox-online-art-trade-report-2016-v2.pdf>.
- Paul Waelder, “Keep it alive or let it die: new media art, curating and the market,” *ETC Media* 109 (2016).
<http://www.pauwaelder.com/keep-it-alive-or-let-it-die-new-media-art-curating-and-the-art-market/>.
- Katya Kazakina, “Want to sell a \$24 Million painting fast? Instagram for the win,” *Bloomberg Pursuits* (December 21, 2016).
<https://www.bloomberg.com/news/articles/2016-12-21/want-to-sell-a-24-million-painting-fast-instagram-for-the-win>.
- Mukti Khaire, “Art Without Borders? Online Firms and the Global Art Market” in Olav Velthuis and Stefano Baia Curioni (eds.), *Cosmopolitan Canvases: The Globalization of Markets for Contemporary Art* (Oxford, 2015), pp. 102-128.

21 Mar – Group Presentations

28 Mar – Group Presentations

4 Apr – Group Presentations

11 Apr – Group Presentations

18 Apr – Group Presentations

25 Apr – FINAL PAPER (due via Sakai by 11:55pm)

Essential Background Literature

- Neil De Marchi and Hans J. Van Miegroet (eds.), *Mapping Markets for Paintings in Early Modern Europe 1450-1750*.
- Bruno S. Frey, *Art & Economics* (Springer: Berlin-New York, 2003).
- Neil De Marchi and Sophie Raux (ed.), *Moving Pictures. Intra-European Trade in Images* (Brepols Publishers, Turnhout, 2014).
- Tom McNulty, *Art Market research. A Guide to Methods and Sources* (McFarland & Co: Jefferson-London, 2006).
- Victor Ginsburgh and David Throsby (eds.), *Handbook on the Economics of Art and Culture* vol. 1 (Elsevier Science: Amsterdam-London-Tokyo, 2006); vol. 2 (North Holland: Oxford, 2014).
- Ruth Towse (eds.), *A Handbook of cultural Economics*, Second Edition (Cheltenham, 2011).
- Candace Jones, Mark Lorenzen, and Jonathan Sapsed (eds.), *The Oxford Handbook of Creative Industries* (2015).
- Olav Velthuis, *Talking Prices: Symbolic Meanings of Prices on the Market for Contemporary Art* (Princeton: Princeton University Press, 2005).
- Olav Velthuis and Stefano Baia Curioni (eds.), *Cosmopolitan Canvases: The Globalization of Markets for Contemporary Art* (Oxford: Oxford University Press, 2015).

Basic Resources

- **Research Guide “Art Markets & Art Sales” Library:**
<http://guides.library.duke.edu/content.php?pid=19863&sid=139037>
- **Data and Visualization Services Department:**
<http://library.duke.edu/data/>
- **Tableau (visualization software):**
<https://tableau.duke.edu/>
<http://guides.library.duke.edu/tableau>
- **Open Refine (data cleaning software):**
<http://openrefine.org/> (download Version 2.6-beta, go to <http://127.0.0.1:3333/> after opening)
- **An overview of useable databases can be found on our Sakai/resources**