

abstract

Defying Market Economy: the case of Dutch modern art museums

Dutch modern art museums have acquired much prestige with their collections. They have facilitated artists even before recognition or acceptance in their own countries. This way they have provided these artists a first opportunity to put ground-breaking works on display. At the same time Dutch museums are commonly not structured according to modern business principles, such as efficiency in the organization, customer oriented products or even formalized evaluation methods. Instead, it seems that the principles of running a museum and acquiring prestige is contrary to the principles of market economy and as a result, often contrary to modern business principles. This opposition of prestigious avant-garde collections and defiance of market principles is made insightful with an analysis of decision-making factors in acquisition and exhibition practices used by curators and directors.

This analysis is based on interviews and supported by examples from different Dutch modern art museums. Three decision-making factors were analyzed in detail. The first decision factor concerns visitor numbers. This factor is often used by politicians and economists to evaluate and qualify museums. A second factor concerns funding for acquisitions and exhibitions. The influence of fluctuating museum budgets is frequently thought to be a decisive factor in museum management. Finally, prestige is presented as a decision factor provided by the museums themselves although rarely used in formal analyses.

It appears that common principles of market economy are counter-productive in the acquisition of prestige in Dutch modern art museums. Continuous pressure from politicians and business analysts to reform museum practices in the Netherlands and elsewhere questions the continuation of a Dutch ground-breaking role in modern art collecting.

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article

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Dutch modern art museums have acquired much prestige with their collections. They have facilitated artists even before recognition or acceptance in their own countries. This way they have provided these artists a first opportunity to put ground-breaking works on display. At the same time Dutch museums are commonly not structured according to modern business principles, such as efficiency in the organization, customer oriented products or even formalized evaluation methods. Instead, it seems that the principles of running a museum and acquiring prestige is contrary to the principles of market economy and as a result, often contrary to modern business principles. This opposition of prestigious avant-garde collections and defiance of market principles is made insightful with an analysis of decision-making factors in acquisition and exhibition practices used by curators and directors.

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1. The experience of art

Modern art museums in The Netherlands conserve, collect, manage, study and present art objects. These tasks of the museum are often summarized in the mission statement and could be used to set out a long-term strategy for the management of the institution. When modern art museum curators are asked about their task they add another element. This element is difficult to define but often takes prime importance in the attitudes of curators and directors of modern art collections and pervades the elements mentioned in the mission statement.

Curators, apart from conserving, collecting, managing, and studying will ultimately present art objects with the purpose of facilitating an art experience for the visitor. The concept of 'the experience of art' as it is used here is a matter of course in the art and aesthetics literature (see also Beardsley 1966:247, Dufrenne 1967, Huber 1954, among others). This concept is also known and cherished at Dutch and many other (modern) art museums where 'presenting art objects' seems to imply this purpose. The experience of art is a point of departure in the descriptions of the role of funds, audience and prestige at the museum. The concept will neither be criticized nor explained in detail since that is outside the scope of this research. Instead, it is shown that the experience of art poses intriguing management problems in which market economic principles are not readily supported.

The art experience is different from the experience of pleasure which would result in Disney World rather than art exhibits. The pleasure that can be found is of a serious nature. Each exhibit and each

work of art may redefine the pleasure we can find in art. The art experience is also different from education principles found in Dutch ethnographic and historical museums. In such museums, the curator guides the visitors with text and explanations. Such guidance is kept to minimum in Dutch modern art museums depending on the tastes of the curator.

In short, the curator is a facilitator, i.e. the curator makes it possible to experience art. The collection of art pieces presents the curator with various ways of exhibiting art and the continuous acquisitions guarantee that the experience of art can be renewed and updated. The expertise of the curator is fundamental to the art experience and the museum facilitates the curator through its building and administration which serve both curator and possible audience. It is the policy of most Dutch modern art museums to leave the possible experiences for the audience open to a large extent, i.e. the art experience is not a single experience that can be taught through accompanying texts and aids. The individual experience is as individual as the art piece.

As a result, visitor numbers are not necessarily an indication of a successful exhibit in terms of art experience. On the contrary, curators find that only a small proportion of their visitors are sensitive to this experience. The following paragraph now focuses on modern art museums, as opposed to the Rijksmuseum or the Frans Hals Museum which concentrate on earlier periods, where the distance between the art exhibit and the general audience is most pronounced.

2. Audience

The audience in Dutch modern art museums does not necessarily determine the exhibition or acquisition policy, since the purpose of the museum is not to please the audience but to create a situation in which the experience of art can take place.

It is now possible to argue that in order to improve, manage or study the performance of a museum, the number of people visiting the exhibits is not a relevant measure. One could even state that the more people visit an exhibit, the higher the percentage of people that have an experience entirely different from the one facilitated by both the artist and the curator. The audience may marvel at the wonderful likeness of the painting which is often irrelevant, untrue and typical for an superficial observation rather than an art experience. Without education as a premise for exhibiting art, it is necessary to understand that the number of visitors is quite irrelevant as a measure for the quality of an exhibit or performance of a museum. The literature on marketing art exhibits (Schuster 1997, Kotler 1997) now becomes largely irrelevant for the long-term policy of such Dutch museums.

It is not argued that an audience-friendly operation is not possible, on the contrary, there is much evidence that marketing principles may be used effectively to increase visitor numbers of art museums, although not always the avant garde exhibits. This policy is, however, more common for directors of buildings, such as the Nieuwe Kerk in Amsterdam and the Kunsthal in Rotterdam, which do not own a collection but rather hire a collection to be exploited within their facilities.

Whether or not the experience of art is taken as a point of departure, the audience numbers cannot be freely determined by the museum. The politicians will determine a minimum and the fire department commonly a maximum number of visitors per year or per day. The long term strategy of Dutch art museums is to continue their avant garde exhibits and once every two or three years organize a so-called blockbuster. For instance, Museum Boijmans Van Beuningen attracted the necessary visitor

numbers with the 'Schatten van de Tsaar' (Treasures of the Czar), 'Goden en Faraos' (Gods and Pharaohs) and 'Verboden Stad' (Forbidden City) which did not involve the museum collections. In the end, the average number of visitors remains within the parameters set by the governing politicians. Ideally, but much less common, a blockbuster is directly linked to the collection in which case other purposes than maintaining visitor numbers can be served.

With the exception of the ever popular Van Gogh Museum, Dutch art museums cannot operate with the proceeds of entry fees alone. Since the politicians are largely in charge of subsidies and may even overrule the museum management, the role of funding is crucial for an understanding of current museum operations.

3. Funding

Subsidies for Dutch museums are used in two principle ways. First, subsidies support an organisation of people and facilities. Second, this funding allows acquisitions and exhibitions of art. The second part is directly related to the work of the curator.

Although this may appear a matter of course, the financial means available to an art curator are not as important as expected. For instance, the budget of Museum Boijmans Van Beuningen for their modern art acquisitions has been between three and four hundred thousand euros. This is considered a reasonable budget and there are no complaints on the side of the curators. However, if the budget were zero the curator would not be much in distress and if the budget were ten times as much, the curators would not be that much more happy.

Many important works of art are much beyond the budget, they may start at half a million and more. A recent issue concerned the acquisition of a Cézanne in the Netherlands requiring approximately 7 million euros. None of the art museums in the Netherlands could come up with this amount. Indeed, they hardly ever do. Important works of art, such as the recent acquisition of six Picabia's in Boijmans (Oomens 1998) are bought with the help of various institutions, foundations and government organisations. The six Picabia's would be beyond the entire average budget of one year. Only payment in annual installments could have saved the works for Boijmans, as indeed sometimes happens. It appeared that the Cézanne could not be bought with funds from various institutes and eventually even the Dutch government refused to pay the remaining amount. At the point that the Cézanne was considered 'lost' and would have disappeared abroad an anonymous Dutch buyer presented itself (Volkskrant 28/2/98). For the time being, it has been given to Museum Boijmans Van Beuningen for display.

Specific art sponsors (c.q. Museum Boijmans Van Beuningen)	
Foundation Museum Boijmans Van Beuningen	acquisitions for Boijmans only
Foundation Lucas van Leyden	acquisitions for Boijmans only
Fund van Rede	acquisitions for Boijmans only
General art sponsors	
Rembrandt Association	acquisitions for Dutch art museums
Mondriaan Foundation	acquisitions for Dutch art museums
Sponsor Bingo Lottery	selected Dutch art museums
Ministry of OC&W	general subsidies

Table 2: *Sponsoring organisations*

A zero budget means that the museum budget does not allow any financial contributions to buy art. Gifts and loans remain since they do not always require an acquisition budget. The acquisition budget appears necessary to acquire less expensive works of art which are of particular interest to the collection. This continuous influx of art from all tiers of monetary value is necessary to keep the collections alive, up-to-date and of interest, whichever word is most appropriate. A budget of zero means only that the cheaper works of art cannot be bought.

An increase of the original acquisition budget does not lead to a better situation. The possibility and the policy of buying everything you wish will result in a lack of overview. First, the museum as a whole would need a higher budget since the storage, exhibition and curatorship of many more pieces of art per year will necessitate more facilities. Second, the curator will lose track of all the acquisitions and is less inclined to make a careful buying decision. Indeed, the whole character of the museum would change. A steady budget that allows some acquisitions at all levels with the possible help of other institutions remains ideal.

Exhibits, on the other hand, are more likely to be improved by a higher budget. The higher the budget the more possibilities of presenting the art works in the most spectacular way. Unfortunately, there are few things a curator can do that add to the art experience. The curator can add to the overall entertainment, the beauty of the walls, frames and display cases and to the lighting. All these elements if taken to the extreme with a wonderfully high budget do not make a more wonderful art experience. In essence, the combination of art pieces, their relationship and the art pieces themselves are central. The added budget is rarely a requirement.

A budget for an exhibit may be as little as four to seven thousand euros in which case only lighting, display cases and paint is changed. A budget of zero rather than five thousand euros does not necessarily influence the success of the exhibit. The British Museum of Mankind, despite its focus on education rather than the experience of art, presented an exhibit with an initial budget of £200 which became one of their more successful exhibits. In contrast, the budget may also run over half a million euros and then involve borrowed art works, a hired designer and the unusual demands that go with it.

Such blockbusters, since they usually involve art objects that attract many visitors, are only necessary for the occasional boost of visiting numbers. The visitors usually pay back the expenses and in the end the purpose of being an art museum is not served any better, since the museum collection is not necessarily part of the exhibit. Only politicians may be sensitive to these events in their long-term policy making.

Neither the art experience nor the number of visitors, except for the occasional blockbuster, are necessarily changed with a different budget. Yet, it is possible to argue that the frequency of exhibits may be influenced by a different budget and that a higher frequency could positively influence the performance of the museum. In February 1998, a number of articles appeared in the Dutch newspapers by both museum directors and the institutes funding art that the number of exhibits per year was clearly too high. Not funding, but the content and quality of the exhibits were at the center of discussion. There is now a tendency to reduce the number of exhibits per year.

In conclusion, funding appears to have little effect on the art experience. The independence of curators and the multitude of funds available for acquisitions make it unlikely that funding changes the way in which Dutch modern art museums operate. But if the museum strategy is neither governed by visitors nor by the politician and other major sponsors then the question remains which principles are used by curators and museum directors in their strategic management.

5. Prestige

According to some curators and museum directors the museum is defying market economic principles (such as the principle of supply and demand and the continuous improvement through maximization of possible revenues) since it is ultimately judged by its prestige and not by its economic success. This prestige is determined by the collections and exhibits and instead of attracting visitors or sponsors they pursue (international) prestige in the world of art. This prestige may be interpreted as a peer-review. Art curators and sometimes art critics around the world appreciate and review exhibits and collections which determine the prestige of the museum.

The history of a museum often adds to its prestige. In all the years of its existence, a museum acquired art and, therefore, a collection from and in many periods. A museum of recent origin may only acquire this prestige by buying private collections since museum collections are rarely if ever for sale.

Prestige also concerns the building, the architecture of the museum which may be of extraordinary quality, originality and beauty. The design by van der Steur of Museum Boijmans Van Beuningen is famous, and many architects, such as Cuyper of the Rijksmuseum and Aldo Rossi of the Bonnefantenmuseum have given prestige to their particular museum. The Haags Gemeentemuseum even cherishes their Berlage design as a separate entry in their museum collection to stress this point. Newly designed buildings also strive for this same prestige. The Bonnefantenmuseum in Maastricht found that visitors came almost exclusively for its architecture (ter Borg 1998), the Guggenheim in Bilbao has become spectacular where art and architecture compete for attention (Schwartz 1998) and the Getty in Los Angeles has opened its doors and will have to prove that an ostentatious design will also provide it with prestige.

Major Dutch art collections	Location	Foundation	Architect*
Rijksmuseum	Amsterdam	1808	Cuyper
Centraal Museum	Utrecht	1838	**
Museum Boijmans Van Beuningen	Rotterdam	1849	van der Steur
Stedelijk Museum	Amsterdam	1890	Weissman
Haags Gemeentemuseum	Den Haag	1935	Berlage
Van Abbemuseum	Eindhoven	1936	Kropholler
Kröller-Müller Museum	Hoge Veluwe	1938	van de Velde
Van Gogh Museum	Amsterdam	1973	Rietveld
Groninger Museum	Groningen	1995	Mendini
Bonnefantenmuseum	Maastricht	1995	Rossi
Van Gogh Museum extension	Amsterdam	1999	Kurokawa***

* Architect of the current museum building
** Current building was not designed for the museum
*** Museum extensions are excluded. Only the Van Gogh extension resulted in a separate building

Table 1: *Location, foundation and collections of major Dutch art museums*

Finally, prestige is improved by borrowing collections or art pieces to present in the context of one's own collections, as opposed to borrowing an entire collection which may be independent of one's own. Both borrowing art and building exhibition halls are quite expensive and a rare privilege for most museums. It is not unreasonable to state that some prestige can be bought through these activities, with the crucial exception of history.

Prestige of a museum outside this peer review has to do with cloud and power. The possibility of a museum to buy extremely expensive works is perhaps the best example of prestige in this context. For instance, the Getty Museum with a budget of over \$200 million per year has enormous buying power. This part of prestige is not sought after in the Dutch context but it may explain the recent trend in both The Netherlands and abroad to commercialize museum activities.

A museum which is in the news more often, has the best marketing and the most attention when new exhibits and acquisitions are made, is also improving an international reputation. These exhibits and acquisitions may feature the famous artists and art-works in the collection or consist of borrowed collections.

The prestige among one's peers is considered more valuable than international visibility. A clear example is the Guggenheim Museum in Venice which is too small to be powerful in any significant way but which has a collection and a building of great prestige. Its collection presents a remarkably complete collection of the avant garde of the first half of the Twentieth Century in a building at the Canal Grande. On the other side, one can find the Getty Museum with enormous financial possibilities and buying power but a disputed reputation among its peers since it misses the grand history of the Louvre, Rijksmuseum or even the Guggenheim. The collection is fragmented to the extreme with, for instance, one Van Gogh (Irises), one Potter, one Steen, one Munch and one Ensor. Even the building contributed little in this respect for a long time. On the other hand, they do not

abuse their buying power in the field of modern art so that modern art museums in the world can go about building their historic collections in the traditional way. The Getty is perhaps not even looking for this particular type of prestige and has become an exhibition hall, like the Dutch Nieuwe Kerk or Kunsthal but with a collection that will continue to attract the large audiences.

6. Defying market economic principles

It is shown that from the perspective of a curator and within the mission of a museum, market economic principles are largely absent in strategic management. Instead the museum builds prestige by its historical collections, its building and the occasional borrowings and exchanges of art work.

Visitor numbers and funding are not secured by sound marketing policies or even a strategic vision on audience development and fundraising. Instead, occasional blockbuster exhibits secure a yearly average number of visitors. These exhibits do often not even relate to the collection of the museum. The funds for acquisitions are sufficiently diverse and substantial that government policies or popular demand rarely influence decisions in this respect. What remains is an international reputation which is constructed by obtaining and exhibiting avant-garde art pieces. Borrowings and prestigious architecture add to this reputation.

There is increasing literature and news on the marketing of the arts (van Dijk 1998, Heyman 1998). Few if any of these works acknowledge the long-term relevance of the art museum's prestige. Instead, art is marketed, audiences are developed in order to increase and eventually audiences are served. It has been a characteristic of Dutch modern art museums that they facilitate modern artists long before these artists are recognized world-wide. This characteristic should be a matter of course for those museums with the mission of serving art rather than audiences. In the USA, the acquisition policy is seen by Dutch curators as largely determined by the availability of private/company sponsors who tend to be more conservative than curators. German curators are judged as being conservative themselves. As a result some young German artists, for instance Kiefer and Baselitz, exhibited at the Van Abbemuseum while certain young American artists, such as Gober and Williams, exhibited at Museum Boijmans Van Beuningen long before they were recognized or exhibited in their home countries. Such evidence, which can only be obtained several years after the overall reception of an avant garde artist has materialized, does not convince a manager who observes the future of the museum in the next five years.

The possibility of serving audiences is taken up by exhibition venues such as Kunsthal in Rotterdam and Nieuwe Kerk in Amsterdam. Occasionally, art museums show their best-known art pieces in a major exhibit. In essence, they have to work with their own collections, since they do not exploit a building or a collection, but they conserve, collect, manage, study and present art objects and only wish, against the odds, to facilitate the experience of art.

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