### Arts Management Newsletter

Bi-monthly Magazine for the global Perspective in Arts and Business





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#### Editorial

#### Dear Readers,

Jazz musicians are often regarded as chronic loners, as individualists who fully concentrate on their art and work in ever-changing formations. However, to make that possible they need a fully functional, and in the best case, an internationally organized artistic network. In this newsletter, we exclusively publish a case study by Prof. Martin Lücke from Munich, which offers insight into how a European-wide partnership can look in practice.

One of the most experienced authors in arts management, Alvin H. ("Skip") Reiss, recently wrote an essay for ArtsReach.com about the cultural building boom. Perhaps you will be impressed as we were about the number and financial dimension of arts investment projects around the world. There are two questions for us related with this issue: how to decide whether it is reasonable to renovate or to build new? And secondly where the protagonists have fairly considered for the costs for operating and curating the venues? We would be happy if you tell us your experience, a personal comment or further aspects necessary to include. Write to: <u>dh@artsmanagement.net</u> We will publish your feedback in the next newsletter issue.

With all the dynamic changes going on in the world, could there be any better time for a new prototype of the human personality? D. Paul Schafer from Canada established the term of Cultural Personality. It provides a new and very different prototype of the human personality, based on the belief that culture in general and the arts and humanities in particular -

should constitute the foundation and cornerstone of personality development in the future. In this newsletter, We'd like to give you an inside view on Paul's model.

In the last two years, Portugal has appeared regularly in the international economic press for all the wrong reasons. In common with other European countries grouped together under the vexing acronym PIIGS (Portugal, Ireland, Italy, Greece and Spain), the country has seen itself denied access to funds from the international financial markets, obliging the IMF, ECB and the *European Commission* to rescue Portuguese state finances in 2011 with a loan of 78,000 million euros. With an accumulated public deficit of 110% of GDP, an unemployment rate of around 16%, a recession forecast of 3% for 2012 and almost 1% of the population emigrating every year, it is difficult to find a



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more depressing combination of factors. Against this background, to talk of the art market may seem a somewhat idle and irrelevant activity. However, there are many lessons to be learned from the Portuguese auction market. That's why we publish a brief summary of a research project that the University of Lisbon have conducted about the Portuguese art market.

We finally introduce a collection of papers on empirical and theoretical aspects of sharing. The authors have tried to answer the question, how new practices can flourish and the roles of sociability and sharing are being reexamined. They want to contribute to this collective effort of rethinking sharing and its role in society. The individual texts in this volume where first presented at the conference "Cultures and Ethics of Sharing", which took place at the University of Innsbruck, Austria, in November 2011.

Enjoy reading our newsletter, and don't hesitate to write us your opinions, feedbacks or proposals.

Yours Dirk Heinze, editor-in-chief, Arts Management Network



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### Jazz plays Europe

#### How a European-wide partnership can look in practice

"No Blah-Blah!" because we have been running around since 2007: running through closed doors, running against time, running ahead and running after. "No Blah-Blah!" above all, because we as a small project have dared to think and act big, on a European scale; we were running around to make the best possible use of this unique opportunity for the Ruhr jazz scene that comes along with being the European Capital of Culture." 1

A case study by Prof. Martin Lücke, Munich Translation: Eric Dorset, Berlin



#### "All that jazz" - Introduction

Berlin, Paris, London and many other European capitals were turned on their heads when jazz found its way across the Atlantic. For many, its melodies, rhythms and dances were the meaning of popular entertainment during the "Roaring Twenties" and 1930's.

Looking at the economic situation of jazz today, however, one sees a gloomier picture. The genre is a niche product of the music industry, far removed from the general public, a fact that can be seen in the current figures of the recording industry and the live performance market. In 2011, the German music industry earned a mere 23.7 million Euros through the sale of jazz music.<sup>2</sup> The earnings from live concerts offered slightly better figures. In 2011 *Germany's Society for Consumer Research*, or GfK, determined that three percent of the overall profits (approx. 2.7 billion Euros) were earned through

<sup>1</sup> Nadin Deventer, *This was it: No Blah-Blah!*, Dortmund 2011, p. 2. The brochure can be downloaded for free as an e-book: <u>http://issuu.com/jazzwerkruhr/docs/jwr2010-doku</u>, July 17, 2011

<sup>2</sup> Musikindustrie in Zahlen, published by Bundesverband Musikindustrie (German Association for Music Industry), Berlin 2012, p. 50.

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jazz, folk, blues, gospel song and world music, or a total of 90 million Euros.<sup>3</sup> Despite the bad economic data, one can speak of an agile German jazz scene that is based on numerous initiatives. The significance of such jazz initiatives, which are often low budget ventures that are only made possible though the help of volunteers, will now be shown in the following example of jazz in the Ruhr region.

#### Jazz in the Ruhr - a (quick) field trip

In 1950, 20 Hot Clubs existed in Germany, nine of which in were in the state of North Rhine-Westphalia. Of these, the best known was the *Dortmund Hot-Club*, which was known far beyond the city's borders.

For many years the local jazz scenes operated autonomously and without networking. The first attempt to bring together six local jazz initiatives between Moers and Dortmund was seen in the two-year project "Jazz Podium Ruhr – Swingsbeats" (1999/2000).<sup>4</sup> The project's goal was to create new performance possibilities of for regional bands, and, thanks to 50 sponsored concerts, the region's jazz scene was able to present itself in full.

Directly thereafter, ProJazz Dortmund and JOE (Jazz Offensive Essen) founded *jazzwerkruhr* in 2002. The project, designed to create a long-term network of the local scenes and strengthen regional co-operations, helped the region's entire jazz scene to develop both artistically and organizationally. Rather than turning to the general practice of "watering can support" *jazzwerkruhr* focused on specific, goal-oriented support in order to offer a visible platform for establishing and developing artistic development throughout the strengthened network of individual artists. This network in turn enabled a larger regional and international network to be formed. This was done deliberately, knowing that without such financially and organizationally secure initiatives, or the creation of a network and new performance possibilities, there is an immanent danger that talented musicians will leave the region and will search for success elsewhere. Waldo Riedl, manager of the Dortmund Domicil, commented about this: "If all of those who moved away over the past two years would have stayed in the region, I would have had a miraculous scene here in Dortmund."<sup>5</sup> Others see the exodus caused by the media's lack

<sup>3</sup> The figures here are approximate. It's difficult to accurately determine just how the earnings are. See: *GfK-study paper 2011 about consumer behaviour of concert and event audience in Germany*, published by *Bundesverband der Veranstaltungswirtschaft* (German Association of Event Business), München 2012, pages. 6 and 11.

<sup>4</sup> See Martin Lücke, "Jazzszene Ruhrgebiet. Teil 1", in: *Jazzthetik* 12, 2002, 11f. as well as "Jazzszene Ruhrgebiet. Teil 2", in: *Jazzthetik* 2, 2003, 13f.

<sup>5</sup> W. Riedl, in: Michael Rüsenberg "Von der Ruhr an die Spree, Jazzmusiker adé": www.labkultur.tv/podcast/von-der-ruhr-die-spree-jazzmusiker-sagen-dem-ruhrgebietade (February 15, 2011)

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of support. Nadin Deventer, the acting director of *jazzwerkruhr* since 2007, regards the problem in a completely different light. He believes that the migration of artists is a completely normal phenomenon and belongs to a metropolis.<sup>6</sup> Scenes ultimately thrive on new influences from outside a region. Still, the exodus of talented musicians is only representative and is not life threatening for those who stay in the scene, especially if, at the same time, new artists view the Ruhr region as an at least temporary location for their artistic activities.

However, as seen in the funding of the *jazzwerkruhr*, theory and reality do not always meet. Until 2008 the initiative received an average of 30,000 Euros each year from the state of North Rhine-Westphalia as well as the cities of Dortmund and Essen. This funding must be applied for annually and is a point that massively complicates the long-term planning of the network. A glimmer of light could be seen in 2010 when the Ruhr region was designated the European Capital of Culture. Thanks to intensive efforts that put it at center stage, Ruhr.2010 GmbH doubled its budget to approximately 60,000 Euros. In total, 15 projects with 60 events were realized through the union of 46 national and international cooperation partners in 25 European cities. Through the co-financing of the national and international partners, the entire budget grew in 2010 to approximately 200,000 Euros, a huge success for the niche product of jazz. However, things became insecure once again for jazzwerkruhr when, at the end of 2010, the Ruhr region lost its status as the European Capital of Culture. The problems were further exacerbated by the change of government in North Rhine-Westphalia. 7

#### jazzplayseurope - the idea

To make the region even more attractive, the idea of bundling up different regional scenes in Europe into a free network was born in 2007. The result was called *jazzplayseurope*. The reason for the Ruhr region's initiative was the view that, often, only the needs of the organizer are taken into account, rather than the needs of the artist:

"Too often, the support, presentation and promotion of talented and determined musicians is restricted to local and maximal regional activities. This is no longer up-to-date. In order to protect the region's current creative environment and artistic quality, as well as to speed up the

7 Funding for the year 2011 was first approved by the NRW finance ministry on July 7, 2011. See the following press release:

<sup>&</sup>lt;sup>6</sup> N. Deventer, in: Michael Rüsenberg "Von der Ruhr an die Spree, Jazzmusiker adé": <u>www.labkultur.tv/podcast/von-der-ruhr-die-spree-jazzmusiker-sagen-dem-ruhrgebiet-</u> <u>ade</u> (February 15, 2011)

www.fm.nrw.de/presse/2011\_07\_27\_foerdergeld.php (July 17,2011)

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professionalization and qualification of the entire scene, one has to look, and operate, beyond regional borders."<sup>8</sup>

After a mere five years, *jazzplayseurope* is legally a loose union of numerous jazz initiatives. The group's aim is to promote the establishment of upcoming musicians and bands throughout Europe through the long-term support of partnerships and networks.

#### What are the group's goals?

The partners of this project have come up with the following goals:

• The national and regional borders of Europe should be broken through the establishment of exchange programs and joint projects.

• The results and efforts of each of the group's partners should be multiplied, thereby creating new synergies.

• New artistic accents should be set through the implementation of artistically ambitious and innovative joint projects. Artists should be given a platform where they can experiment with and realize new ideas.

• Visible trans-national structures should be formed among the equal partners. *Jazzplayseurope's* aim is to establish a brand of top European jazz from the participating regions.

• Cultural diversity should be reflected and the stylistic variety of the participating regions should be promoted.

#### Who are the partners?

Alongside Dortmund, the initiator of jazzwerkruhr, the following festivals and initiatives are partners of jazzplayseurope:

- a) JazzLab Series, Belgium
- b) Jazztopad Festival, Poland
- c) Domaine Musiques, France
- d) *trytone*, The Netherlands
- e) Music Centre Slovakia, Slowakia
- f) Music:LX: Information & Export Office, Luxembourg
- g) JaZZus, France

<sup>8</sup> Excerpt of an unpublished paper to the Kultursekretariat (Culture Office) of Wuppertal, which is in possession of the author.

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#### How does it work?

"Find courageous partners, initiatives, venues and festivals who send a local/regional musician/band of their choice to an artist's laboratory. Then, take these very talented solo musicians or bands, that for the most part have never met before, and put them in a closed rehearsal space for a couple of days- with the knowledge that a tour has already been booked for them and is to start immediately afterwards." <sup>9</sup>

So simple, and yet so brilliant: every network partner offers a highly acclaimed musician performing at the international level. The first decentralized *jazzplayseurope* laboratory took place in Dortmund in 2009. It was a "blind date" for musicians who did not know each other beforehand. Seven different kinds of musicians came together on this occasion, working together to present their results in the space of six concerts after several days of intensive rehearsals. This deliberately narrow time frame between rehearsals and concerts had the advantage that it forced the participating artists achieve artistically high quality results in a relatively short space of time. Moreover, all partners take this experimental approach because the integrative aspect of this approach is very important for the international cooperation. This approach is still in practice today and has brought many high caliber musicians together in new constellations. The continuity proves that the *jazzplayseurope* model has been taken on and accepted by many European scenes. It has also led to the joint partnership of *jazzwerkruhr* and *trytone*, which worked at the NL-Ruhr-Music-Kitchen in 2010 and 2011 and joined forces with the famous Wroclaw festival *jazztopad*, a result that only years ago was inconceivable.

#### A model for the future?

Although *jazzplayseurope* is still a relatively young initiative, the question arises over whether this form of networking is a sustainable model that can be transferred over to other art forms. Because, despite its modest financial means, *jazzoplayseurope's* visibility has increased steadily.

A positive point, one that unfortunately is not so self-evident these days, is the fact that all musicians of the laboratory receive an agreed-to wage. This was first set at 150 Euros per appearance for each musician before being increased to 200 Euros in 2011. The cost of the tour is split among the partners in such a manner that the network representing the musicians only pays for the travel costs for "their" musicians while the wages and lodging costs are paid for by the organization that has invited the group. However, it is important to note too that this form of network is often only made possible through the help of unpaid volunteers.

Still, within the space of five years the partners have successfully increased their general budget and developed a new bilateral cooperation. Starting out

<sup>9</sup> This was it, page 37

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with a budget of only 2,000 Euros, the third *jazzplayseurope* had a budget of 57,000 Euros in 2011 to finance projects and tours.

The one thing that has significantly helped the efforts of regional initiatives has been funding programs by organizations such as the European Union, which often set funding requirements that individual partners are unable to meet alone. The cooperation at the European level allows for the amount of funding that is being applied for to be realistically set at levels that are allocated by the EU to support such joint projects.

The advantages for the artists are great, as the costs for the rehearsals and the tour that follows are taken over by the partners. For the first time many musicians have the chance to present themselves internationally, which in turn allows their artistic network to grow. One single initiative would hardly be able to afford this organizational and financial expenditure, forcing the musicians to remain in the region. The urgently required, much desired and demanded exchange would hardly be realizable.

Another success for *jazzplayseurope* is the increasingly easy acquisition of famous organizers, international festivals or high-class jazz clubs. The *BIMhuis* in Amsterdam, the *Jazz & Sounds* festival in Ghent, the *Berlin Music Week*, the *jazztopad*-Festival in Poland as well as *Slovakian Bratislava jazz Festival* all act as billboards for their respective countries- an indication that *jazzplayseurope* is guaranteeing the highest musical quality in a scene that is steadily gaining more acceptance.

The concepts used by *jazzplayseurope* can serve as a future model for all kinds of small, individual, and regional projects. It requires a common aim as well as an intensive communication. *Jazzplayseurope* is a positive example of how small initiatives or projects with low financial means can also successfully initiate and carry through European-wide concepts in order to gain visibility, as well as be successful when applying for further funding.

#### ABOUT THE AUTHOR

Martin Lücke, (born 1974) is Professor for Music Management at the MHMK (*Macromedia University for Media and Communication*) in Munich. He studied musicology in Bochum and wrote his dissertation about Jazz in totalitarianism.

#### FURTHER INFORMATION

www.jazzplayseurope.eu

# Renovations & Additions

#### A new kind of Cultural Building Boom

Back in the 60's I wrote a satire for *Esquire* titled "The Lincoln Center Syndrome". Subtitled "Every township needs a cultural center of its own. The culture can wait", the article was inspired by the then-prevalent cultural building boom frenzy, which, sparked by the opening of *Lincoln Center*, embraced cities big and small, and led to some wonderful new performing arts complexes, theaters and museums. It also led to a number of classic mistakes including buildings that were too expensive to operate, performing centers for touring attractions that were beyond the financial reach of local arts group to use and facilities without adequate dressing tooms or wing space.

An article by Alvin H. ("Skip") Reiss, New York City First published in ArtsREACH - The Association of Arts Management, Marketing and Development Professionals, Volume XX - Issue 6: <u>www.artsreach.com</u>

In the half century since then, both America and the world have gone through several cultural building boom cycles, resulting in large numbers of new museums and performing spaces being built and totaling billions of dollars in cost. A new study released this past June, "Set in Stone: Building America's New Generation of Art Facilities, 1994-2008" concluded that although there were successes among the 700 facilities studied over the 14 year period, ranging in cost from \$4-million to \$335-million, the facilities for the most part were more difficult to complete than anticipated and put a tremendous burden on the groups that commissioned them.

It might seem at first glance that the cultural building boom has ended with a thud, but this is hardly the case. While giant new facilities have been completed in the past year and more will be completed in the next few years, it is the emphasis today that is different. The new building boom, reflecting the once new but now aging cultural facility stock, is focused on renovations and additions or "R & A", which usually are much less costly than building new facilities, although a few have topped the \$200 million mark. At press time the *National WWII Museum* in New Orleans announced the opening this January of a \$35-million U.S. Freedom Pavilion as part of a continuing \$325-million expansion program.

The R & A process has in some instances resulted in the closing of venues, some for years, while the work was being completed. The *Cooper-Hewitt National Design Museum* in New York City remains closed as it works to finish a \$50-million renovation project that is not scheduled for completion until

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2014. Another major New York institution, the American Museum of Natural History, unveiled the new look of its Theodore Roosevelt Memorial Hall in October, after being closed for nearly two years while it completed its \$37,5-million remodeling. Renovations included not only the Hall but the museum's Central Park West entrance and its Rotunda. The Rodin Museum in Philadelphia reopened this past summer following a three-year \$9.1-million revitalization project that included restoration of the interior, reinstallation of its collection and new garden landscaping.

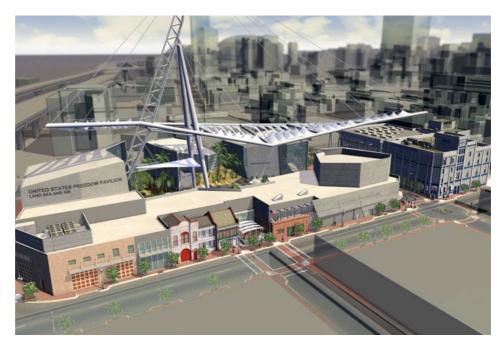


Photo: National WWII Museum in New Orleans (www.nationalww2museum.org)

The pace of R & A activity is perhaps no more stunning that it is in New York City. Recent additions to the city's cultural scene include the \$42-million Claire Tow Theater built on top of *Vivian Beaumont Theatre* at *Lincoln Center* and the *Brooklyn Academy of Music*'s add-on, the Richard B. Fisher building, remodeled from a former Salvation Army building at a cost of \$50-million and now housing a 250-seat theater recently completed a \$30-million revitalization of its Astor place home and the Drawing Center unveiled the results of its \$9.6-million renovation, which will increase exhibition space by 50%. As a very modest final touch to a far from modest renovation project, Lincoln Center for the Performing Arts unveiled its new President's Bridge of West 65th Street this October. *Lincoln Center*'s overall renovation project lasted six years and cost \$1.2-billion.

Earlier this year the *Metropolitan Museum of Art*, boosted by a \$60-million pledge from trustee David H. Koch, unveiled plans to redesign the four-block-long plaza in front of its main entrance with new fountains, seating areas and softer nighttime lighting. Several years down the road, in a giant \$200-

million project, the Park Avenue Armory will be transformed into a cultural facility. A \$40-million project to be completed in 2013 will turn Brooklyn's Strand Theater, a century-old vaudeville house, into a modern home for the BRIC Arts/ Media House for exhibitions, media events and live tapings.

Elsewhere in the U.S. dozens of R & A projects are currently in the planning or action phase including: the *Minnesota Orchestra*'s \$50-million remodeling of Orchestra Hall; a new \$64-million wing at the *Corning Museum of Glass*; a new 18.000 square foot home for the *Menil Collection's Drawing Institute* at its Houston Campus; and the Tacoma Art Museum's new wing set for 2014. In Charleston, SC, a \$142-million plan has been approved to convert the *Gaillard Municipal Auditorium* into a premier concert hall and renovated exhibition hall.The project. with half the cost underwritten by private donations, will reduce seating from 2.700 to 1.800.

The urge to renovate has hit cultural facilities in smaller communities as well. In Croton Falls, NY, the Schoolhouse, an acclaimed professional regional theater has moved its season back several months to complete a renovation project that will expand seating from 73 to 99 and improve dressing rooms, green room, rest rooms and kitchen. In Morriston, NJ, the *Mayo Performing Arts Center*, which was rescued from ruin in 1994, will complete a \$5.1-million renovation by next summer, in time to celebrate the facility's 75th anniversary.

Artists are playing a key role in the current R & A explosion. At the *Country Music Hall of Fame*, which is expanding museum space from 140,000 to more than 350,000 square feet in a \$75-million project, singer Taylor Swift pledged \$4-million to help build a new 7,500-square -foot education center. In Chicago artist LeRoy Neiman donated \$5-million to the *Art Institute of Chicago* for a 17,800 square foot remodeling of several floors of its *Sharp Building* and local artist Thaster Gates, who convinced the city to postpone demolition of an abandoned bank, is now awaiting city approval and hopefully funding to turn the old bank into a cultural center, library and artist studios.

Overseas, one of the most exciting and interesting expansion projects is taking place at London's *Tate Modern*, where a £215-million expansion, due for completion in 2016, is underway. The first phase of the expansion, which opened in July, was Tanks, a £90-million exhibition space for performance and video installation, which was made from converted oil tanks. Another giant London project is the restoration of the *Elizabethan Rose Theater* in the city's Bankside area. The theater, built in 1587 and recovered in 1989, is entering the third and final phase of full excavation and restoration, with plans for its opening set for 2016, the 400th anniversary of Shakespeare's death. Meanwhile, Britain's oldest continuing theater, Bristol's *Old Vic*, reopened its doors in September. The theater, which dates back to 1766, was closed for 18 months for a £12-million facelift. Arts Management Newsletter · Issue No. 113 · February 2013 · Page 12 Trends & Development





Tate Modern-View from South at dusk, © Hayes Davidson and Herzog & de Meuron (www.tate.org.uk)

There is tremendous excitement in Amsterdam, where the Stedelijk Museum reopened this September following a renovation that has been underway since 2009. Also, in a giant remodeling project that has lasted nearly ten years and cost an estimated €366-million, the Rijksmuseum will reopen all its restored galleries and renovated garden in April 2013. One of the city's most-visited cultural attractions, the Van Gogh Museum, closed recently and will reopen next spring following renovations.

In Paris the Louvre recently opened its stunning new Islamic Galleries and the *German Emigration Center* in Bremerhaven introduced its new wing. This past March, Sydney's *Museum of Contemporary Art Australia* unveiled its new look after a \$56-million renovation. Currently underway in Jerusalem is the *Israel Muse-um*'s mammoth \$200-million, three-year project, which will add new galleries and double its exhibition space while in Manchester, England, a three-year, £170-million project will help to restore the Central Library.

An infusion of funds is a key to remodeling or adding new space, with government a key target of fund raisers. The *Denver Symphony Orchestra* is asking the city to give it up to \$30-million to watch the \$60-million that voters approved to refurbish the city-owned *Boettcher Concert Hall* and add high tech recording studios to the facility. In Massachusetts, 56 art groups will share a \$4-million Cultural Facilities Fund matching grant award to support improvement, expansion and repair of cultural facilities. The funded organizations will invest a combined \$424-million to support such projects as the *Boston Conservatory*'s performance space renovation and the *Harvard University Art Museum*'s expansion.

European cultural organizations will benefit from the European Commission's planned  $\epsilon$ 1.8 billion fund over the next seven years beginning in 2014, which will include a significant amount to be used for the restoration of cultural facilities. The *Arts Council of Wales*, which through its Capital Lottery program, will allocate from £15 to £20-million through 2017 for capital projects, stressed its emphasis on R & A by indicating that the emphasis will be on "refurbishment of existing facilities rather than build new schemes."

As many groups move ahead with facility projects, some cultural organizations in the United States, including those in Annapolis, MD and Juneau, AK are addressing a key question - whether to renovate an existing cultural edifice or build a totally new facility at a much higher cost. Some decisions can be controversial as well. The *New York Public Library* aroused debate with its board's decision to sell off both its Mid-Manhattan branch and its *Science Industry and Business Library* and use the estimated \$200-million to renovate its main branch on 42nd Street.

While recent emphasis has been on remodeling and adding space to existing facilities, some stunning, totally new art sites have opened in the past year. Las Vegas is home to the \$470-million *Smith Center for the Performing Arts* which opened in March and Kansas City, MO welcomed the \$413-million *Kaufman Center for the Performing Arts*, home to the *Lyric Opera* of Kansas City and the *Kansas City Ballet*, last year. In Brooklyn, NY, this fall, the \$1-billion *Barclays Center*, an arena built to house the professional basketball team, the *Brooklyn Nets*, also is convertible into a 19,000 seat concert hall, a use it served for its grand opening program of concerts.

In an exciting addition to the Philadelphia Arts scene, the Barnes Foundation moved its priceless collection of post-impressionist and early modern paintings from Merion, PA into a totally new gardened \$150-million facility in May. The new Barnes home was built to replicate the shape and dimensions of the original site placed in rooms at the new facility exactly as they were at the Merion location.

Several major new facilities opened this fall on college campuses. The 1,400seat Joan and Sanford I. Weill Hall at Sonoma State University is part of a 145-million

complex while *Virginia Tech* can boast of its \$94-million 1,260-seat Center for the Arts. Also, *Theater Horizons* in Norristown, PA opened a new 120 seat space.

Overseas, a new facility for the Astrup Fearnly Museum of Modern Art opened in Oslo and Singapore opened the 5.000-seat Star Performing Arts Center as part of an integrated retail and entertainment center. In Shanghai two giant museums opened on the site of the 2010 World Expo, the China Art Palace and the Poeer Station of Art. In December, the Louvre's first facility outside of Paris will open. The \$200-million Louvre-Lens Museum is located in the Pas-de-Calais region. In China, where the \$200-million Guangzhou Opera House designed by Zaha Hadid opened to great acclaim last year, plans for another major cultural facility, the \$279-million Yellow River Arts Center in the Ningxea Hui region, are moving along. In Warsaw, boosted by a gift of nearly \$6-million from a Polish oil tycoon, a Museum of the History of Polish Jews is planned.

A sampling of other major new facilities underway indicates the significance of large grants in turning concepts into reality. The \$150-million American *Revolution Center* in Philadelphia was boosted this past summer by a \$30million gift from the Oneida Indian Nation. One of the more significant additions to the cultural scene will be the *Whitney Museum of American Art*'s new \$382-million facility in New York City's Meatpacking district, set to open in 2015, which will more than triple the museum's total space. The Whitney already raised more than \$500-million of its overall \$710-million goal. A \$400-million media and film center in New York City's *Brooklyn Navy Yard*, however, is more than ten years away from realization.



Photo: San Francisco' Exploratorium (Observatory)

California will welcome several major new facilities in the coming years. The *Academy of Motion Picture Arts and Sciences* has set a \$250-million fund raising goal for its new film museum to be built by 2015 or later on the *May Company* store site, next to the *Los Angeles County Museum of Art*. San Francisco's *Exploratorium*,

boosted by two anonymous grants totaling \$90-million, will move to a new \$220-million home on Piers 15 and 17 on the Embarcadero next year. Chapman University will build a \$64-million performing arts center in Orange County, CA.

Other planned new facilities include the \$110-million, 2,500 seat Utah Performing Arts Center in Salt Lake City set to open in 2016 and a new \$20 million home for the Utah Shakespeare Festival, still in the funding phase with groundbreaking planned next year and opening for 2015. The Parrish Art Museum in Water Mill, NY unveils its new 34,400 square foot home on November 10th and the \$2-million Las Vegas Museum of Organized Crime opens its doors next March. In Overland Park, KS, Johnson County is planning a \$34-million National Museum of Suburbia in a building that housed a bowling alley and a skating rink.

The work of noted artists has been the inspiration for new facilities. The *Marina Abramovic Institute for the Preservation of Performance Art* will have a home in Hudson, NY. In New York City the Cy *Twombly Foundation* recently bought a five-story Beaux Arts mansion for \$27,4-million which will be converted into a small museum and education center related to the work of the late artist.

While many new and R&A projects continue to move ahead on schedule several of the most notable planned cultural facilities have experienced major delays, including the 9/11 Museum at the World Trade Center site, the \$387-million Dr. Philipps Center for the Performing Arts in Orlando and the Museum for African Art in New York City. In Finland, a plan to build a new Guggenheim Museum in Helsinki has been rejected.

Regardless of the need for a cultural facility and the interest it generates, money is, in most instances, the key to the successful completion of a major project.If today's activities are any indication, and economic uncertainty continues, renovations and additions, rather than totally new facilities, will continue to be the future of what once was termed "The Edifice Complex".

#### ABOUT THE AUTHOR

Alvin H. Reiss is founding editor of *Arts Management*, which celebrated its 50th anniversary in February 2012 as the longest-running periodical for the arts profession. He is author of eight books on the arts and nonprofit fields, hundred of articles for leading periodicals and the past writer of monthly columns for *Fund Raising Management and Travel Weekly*. Since October 2011 he has written a weekly column, "In My Anecdotage" for the Somers Record. Among other honors he is recipient of the *Beautiful Minds Award* presented by the *National Center for Creative Aging* and the Outstanding Achievement Award of the International Society for the Performing Arts.

### The Cultural Personality

With all the dynamic changes going on in the world, could there be any better time for a new prototype of the human personality? There are problems with the two existing prototypes of the human personality - the economic personality and the specialist personality - that make them inappropriate for the world of the future, particularly with respect to the rapidity of contemporary change and devastation of the natural environment. The Cultural Personality provides a new and very different prototype of the human personality. It is based on the belief that culture in general and the arts and humanities in particular - should constitute the foundation and cornerstone of personality development in the future. Goethe gave us a great insight into what this personality type is all about when he said, "live in the whole, in the good, in the beautiful." Surely this is the key to living a harmonious, meaningful, and fulfilling life in the year and decades ahead.

An article by D. Paul Schafer, Director, World Culture Project, Markham, Canada

Profound changes are taking place in the cultural complexion of the world. Not only is the world in a state of dynamic and revolutionary flux, but a whole new era is opening up in community, national and international affairs.

At the centre of all this activity is the individual. With all the changes that are taking place in economic and political systems, ethical and religious values, ecological and environmental practices, and social and demographic patterns, now is a propitious moment to be enquiring into the nature, role, and responsibilities of the individual. For it is clear that more and more people around the world are having difficulty coping with the realities of the present and prospects for the future.

It would be foolhardy to contend that *The Cultural Personality* can deal with either the complexity or the enormity of this situation. What it attempts to do, therefore, is set out a general framework or approach capable of addressing some of the more significant dimensions of it. It does so by postulating an ideal prototype of the human personality against which individuals can measure the reality of their own experience, and to which they can look for guidance in times of adversity. It is a prototype based on the conviction that culture, especially when it is defined cosmologically as a "worldview" in general and "ordered whole" in particular, provides one of the most promising avenues for coming to grips with the types of problems with which individuals are confronted in the modern world.

The monograph is divided into five parts. In part one, an assessment is made of the context within which the contemporary individual is located. The conclusion that is derived from this assessment is that a new prototype is needed to deal with the complexities of the present as well as the uncertainties of the

future. In part two, this new prototype is explored as a concept, largely by juxtaposing the two interdependent ideas of "culture" and "personality." What results is the notion of "the cultural personality." In part three, the main characteristics of the cultural personality are elucidated. In part four, the cultivation of the various capabilities, sensitivities and sensibilities that comprise the cultural personality are addressed. And finally, in part five, consideration is given to the way in which the cultural personality functions most effectively in the real world.

Like other monographs in the World Culture Project (see Appendix A), *The Cultural Personality* is exploratory and illustrative rather than authoritative or definitive in nature. Its purpose is to sketch out the main contours and principal features of the cultural personality and put enough flesh on them so that this particular prototype of the human personality can stand alongside other personality prototypes as a potential guide to human action and behaviour in the future.

It remains to express my gratitude to Jean Elliott, Joy MacFadyen, R. Murray Schafer, Sarah Aston and the members of the International Advisory Council (see Appendix B) for their valuable contributions to this monograph. While recognizing these contributions, I nevertheless assume full responsibility for everything contained in the text.

#### FURTHER INFORMATION

www3.sympatico.ca/dpaulschafer/THECULTURALPERSONALITY.pdf

www3.sympatico.ca/dpaulschafer/FoundationsForLife.pdf

# Lessons from the Portuguese Art Auctions

An article by Luís U. Afonso and Alexandra Fernandes, University of Lisbon



Fig. 1 – José Malhoa (1855-1933), Celebrating St. Martin's Summer or The Drunkards, 58x77,5 cm, signed, 1912 (a version of the larger painting with the same theme from 1907, 150x200 cm, at the Museu José Malhoa, Caldas da Rainha, Portugal)

In the last two years, Portugal has appeared regularly in the international economic press for all the wrong reasons. In common with other European countries grouped together under the vexing acronym PIIGS (Portugal, Ireland, Italy, Greece and Spain), the country has seen itself denied access to funds from the international financial markets, obliging the IMF, ECB and the European Commission to rescue Portuguese state finances in 2011 with a loan of 78,000 million euros. With an accumulated public deficit of 110% of GDP, an unemployment rate of around 16%, a recession forecast of 3% for 2012 and almost 1% of the population emigrating every year, it is difficult to find a more depressing combination of factors. Against this background, to talk of the art market may seem a somewhat idle and irrelevant activity. However, there are many lessons to be learned from the Portuguese auction market.

For example, to the outside observer it would be useful to understand the degree of resilience of this peripheral market which is subject to enormous pressure, both in identifying business opportunities, and forecasting and overcoming collapses in markets of greater size, heeding risks, planning procedures and anticipating outcomes. For the local observer, in turn, the behaviour of the art market is justification in itself, as independently of any demagogical preconceptions with regard to the art market, the truth is that this sector also creates employment and tax revenue.

#### Turnover

In recent years there has been a clear downturn in the Portuguese art market, both in terms of the volume of imported works of art, which dropped from 54 million euros in 2006 to 8.6 million in 2010, and activity in the domestic market. Here, the reduction is very clear in the sharp fall in turnover at contemporary art galleries, in some cases with losses in the region of 80%, and a decrease in turnover at Portuguese auction houses, especially in 2009 and 2010 (Graph 1). Nevertheless, at least in the case of the main auctioneers, the figures for 2011 show a marked recovery in turnover, indicating that the worst may have passed.

#### Lots vs. turnover

When we compare data for turnover at the auction houses with the largest number of lots (Graph 2), we can see that the increase in supply (blue line) was not matched by an increase in demand (red line). On the contrary, turnover decreased. The explanation is simple: the average value of lots sold has declined and the number of lots withdrawn has increased.

#### Withdrawals

At auctions held in Portugal, one in every three lots was unsold. In the last few years the percentage of lots withdrawn has fluctuated between a minimum of 32% (2007) and a maximum of 37.5% (2010). However, these figures disguise a very different reality. For example, while in the furniture and textile segments the average percentage of withdrawals was over 40%, in the case of jewellery and silverware the figure drops to 20%.

#### Distribution by style and type

The Portuguese auction sector is clearly dominated by the decorative arts, which represent 71.42% of lots sold. The fine arts, painting and sculpture, represent only 19.8% and 5.7% of lots sold. Within the decorative arts the most common types of lots are gold ware and silverware (21.55%), furniture (19.09%), Oriental and European porcelain (16.9%), jewellery and watches (7.41%) and Portuguese faience (5.75%).

#### Age

Two out of three lots taken to auction date from later than 1800 (Graph 3). Lots belonging to earlier periods are very rare. In fact, the total number of all lots dating before 1400 is insignificant in the Portuguese market (3.6%).

#### **Geographical distribution**

As is common to domestic markets, over half of lots taken to auction were produced in the country itself (54.42%) (Graph 4). The second large source for lots sold in Portugal is Asia (14.05%), much of this due to the preponderance of Chinese porcelain.

#### **Averages**

Between 2005 and 2011, correcting the figures for inflation, we can see that each lot was sold for an average price of €1,874.60. Nevertheless, when analyzing the data for each year (Graph 5) it is clear that there has been a steady decline in the average sale price, especially since 2009.

#### **Price Segmentation**

The average lot price, however, does not give an idea of the highest and lowest figures, nor an idea of common prices. In fact, between 2005 and 2011, half of all lots sold for under €420 and the other half above that figure. Segmenting by sale price (Graph 7) it is clear that practically three quarters of lots were sold for up to €1,000. As for the highest prices, only 0.06% of lots surpassed €100,000.

#### Lessons to be learned

The Portuguese auction sector is a very domestically-focused market where lots are traded for relatively small sums. It is a market with a high appreciation of the decorative arts, especially Oriental porcelain and antique gold and silverware, where 1% of lots (the most expensive) represents close to 30% of auction turnover.

Turnover and average sale prices at auction have been decreasing since 2006. The increase in the number of lots on offer at the main auction houses from 2008 can be interpreted as an attempt to maintain turnover, or at least not let it fall as much, the consequence being the cannibalization of medium to low value market segments, until now dominated by secondary auctioneers. In part, the decrease in the average value of lots sold is the result of the entry of the main auction houses into these segments, but it also represents a correction of prices derived from the fall in demand for medium to high-value lots, bringing them down to considerably more realistic levels, especially in the area of contemporary art and antique furniture, two segments where demand fell the most.

The increase in supply dictated by the need of many collectors and private buyers to obtain liquidity, the drop in pre-sale estimates and the drop in de-

mand at auctions have led to good business opportunities for higher value works, especially in segments such as old Portuguese paintings, Luso-Oriental works of the 16th and 17th centuries and Ming and Qing dynasty porcelain. Thus, three of the works in the top 10 sales between 2005 and 2011 were auctioned in 2011, including the record in the Portuguese market for a painting by José Malhoa (1855-1933) which sold for €400,000 (Fig. 1). The fact that the buyer was an antiquarian also demonstrates the amount of confidence in the domestic market, which corroborates various informal indicators on the final destination of pieces sold for higher figures, many of which continue to end up in the houses and offices of Portuguese collectors.

We may conclude, therefore, that the fall in prices has brought works to healthier levels more suited to the reality of the Portuguese art market, once more attracting a considerable number of collectors to auction. These signs also allow for some optimism in a recovery of the Portuguese economy itself, as they are very relevant indications of the degree of confidence of consumers, big collectors and retailers themselves. More realistic prices for high value pieces, the capacity demonstrated by the government to halt the public deficit and maintain the annual growth rate of Portuguese exports close to 10% have created suitable conditions for the revitalization of the art market in Portugal.

#### **Technical data**

This text is the result of some academic research on art auctions in Portugal between 2005 and 2011 (PTDC/EAT-HAT/103690/2008). For this purpose we analyzed 108 auctions held by the two major Portuguese auction houses (Cabral Moncada Leilões and Palácio do Correio Velho), who together represent over 50% of the market, and by the only auctioneer specializing in contemporary art (Sala Branca). Between 2005 and 2011 these three auction houses put around 120,000 lots up for auction, of which we analyzed more than 68,000.

#### FURTHER INFORMATION

<u>bit.ly/15rwrKh</u> (Download complete research paper with charts) www.iscte-iul.pt/en/home.aspx Arts Management Newsletter · Issue No. 113 · February 2013 · Page 22 Publications



# Cultures and Ethics of Sharing

How new practices can flourish and the roles of sociability and sharing are being re-examined

Cultures and Ethics of Sharing, edited jointly by Wolfgang Sützl, Felix Stalder, Ronald Maier and Theo Hug, is a bilingual (English/German) collection of papers on empirical and theoretical aspects of sharing, both on-line and off-line. Some papers develop quite optimistic perspectives, but others show also how activities of sharing can be captured by very problematic interests. They all manage to highlight the richness of sharing in social setting and the wideranging questions a focus sharing brings to the fore.

This is a volume of essays about sharing. Few people could have predicted that practices of sharing would gain such prominence in contemporary society. It is, arguably, one of the most unexpected developments of the early 21st century. Surprising, but not inexplicable. Over the last decade, numerous developments have taken place that created conditions under which new practices could flourish and the roles of sociability and sharing are being reexamined. For example, the very idea of man and woman as homo economicus, that is creatures that will naturally gravitate towards the pursuit of narrow self-interest and, thus, the need of society to organize itself as to make productive use of this supposed essential characteristic, has been called into question with renewed vigor.

A global protest movement exposed the depth of the desire to articulate alternative trajectories based on a different set of values than those that appeared to have caused the current financial crisis. At the same time, access to advanced information and communication technology for sharing is increasingly not only available virtually everywhere, but also warmly welcome by vast numbers of people in our societies who allocate substantial amounts of attention, time and effort to experimenting with it and thus interweave it into the fabric of their everyday lives. A number of flagship projects – most notably Free Software and Wikipedia, but also the social web more generally have shown that sharing and collaboration can lead to results that are comparable, if not superior, to traditionally produced products and that new types of organizations which embody these principles are sustainable, adaptive to changing environments and resilient in the face of dynamic economic developments. An entire generation of media savvy, radically globalized people is growing up with an experience in their personal, daily lives that sharing (digital) goods is an essential dimension of how friendships and communities of all kinds are being built and maintained. At the moment, this experience stands in stark contrasts to other experiences of social life where com-

#### ... Cultures and Ethics of Sharing

petition and individual possessiveness are dominant and it is impossible to predict how such fundamentally diverging value sets will coexist and interact. What is clear, though, is that sharing as basal form of social interaction is being reexamined and this opens up new perspectives on human culture and history and as well as on diverse contemporary dynamics, far beyond the digital domain.

With this volume, we want to contribute to this collective effort of rethinking sharing and its role in society. The individual texts in this volume where first presented at the conference "Cultures and Ethics of Sharing" which took place at the University of Innsbruck, Austria, in November 2011. It was a multidisciplinary and bilingual effort to bring together a wide range of perspectives on sharing to examine the potential of putting sharing as a social practice at the center of the debate. The first impression during the conference was, indeed, that there are many new questions opened by these perspectives, questions that need to be addressed from different disciplinary perspectives and from many different cultural backgrounds. It became also clear that the enthusiasm for sharing needs to be tempered with critical attention to practices where sharing might lead to either undesired outcomes or are embedded in wider social practices whose dynamics run counter to the ethos of sharing and cooperation.

#### FURTHER INFORMATION

http://felix.openflows.com/node/240 http://medien.uibk.ac.at/mwb2011

### Imprint

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