**The Relationship Between Economic and Structural Characteristics and Cultural Products in Israeli Art Museums**

**Abstract**

This article examines the tension between economic and artistic aspects of cultural production in Israel, particularly in the context of art museums. The primary research question is: How did economic and structural characteristics influence the art and artists exhibited in Israeli museums between the years 2000- 2014? This mixed methods study applies a combination of quantitative and qualitative research tools to address the research question. The data pertain to revenues, socio-demographics about artists, and exhibit information from various Israeli museums. In addition, to broaden understanding of the quantitative findings, 20 interviews were conducted with museum managers, curators, and artists associated with the museums in the sample. The results indicate that economic and managerial concerns have a greater role in determining museums’ artistic repertoire of art than do professional values. Significant differences, in terms of economic and artistic parameters, are found between museums in Israel’s geographic/ population center and those in its peripheral regions. Art museums in the periphery are smaller and adopt different artistic paths from those in the central region, in order to distinguish themselves, given that they cannot compete on economic parameters. The implications of the findings are discussed in terms of museums’ funding sources for artistic activities and the relationship between Israel’s central and peripheral regions regarding various aspects of the field of art.

**Keywords**: Art, Museums, Economic Characteristics, Structural Characteristics, Center, Periphery, Cultural Economy

1. **Introduction**

Like all corporate entities, art museums must consider economic factors when promoting their cultural activities, especially given that publicly-funded budgets are shrinking and museums must turn to commercial or private funding to survive. At the same time, museums operate within a framework of artistic values and cultural norms. Sociological studies of cultural markets have addressed the tension between cultural aspects based on economic rationale and those based on artistic values (Bowen & Baumol, 1966; Frey, 1994; Towse, 2003). In the context of museums, these studies highlight that factors such as revenue sources, size of the museum, supply and demand, and managers’ strategies all influence cultural production (Camarero, Garrido & Vice, 2011; Frey & Meier, 2002; Hughes & Luksetich, 2004). Studies of art quality assessment processes assert that cultural production is a social field, and power relations influence definitions and perceptions of high-quality art products (Becker, 1984; Bourdieu, 1983; Plattner, 1998; Yogev, 2010). Additionally, geography and cultural production have a reciprocal relationship, primarily due to economics and tourism in major centrally-located cities with art institutions (Heilbrun, 1992; Rosett, 1991). The agents of power, knowledge, and finances, as well as art-loving audiences, tend to be concentrated in central areas (Efrat, 2016; Von Graevenitz, 2007).

This article examines economic, geographic, and social mechanisms in art institutions in order to understand their cultural production in a broad context. It makes two contributions to the literature on cultural economics. First, it advances sociological understanding of how factors other than art influence cultural production in art institutions. Second, this study is pioneering in its integration of economic, geographic, and social aspects of cultural production in the context of art institutions.

1. **Literature Review**

**2.1 Economic Aspects of Museum Activity**

Sources of funding for art institutions are diverse and include public allocations, visitor entrance fees, donations, endowments, foundations, sponsors, and investments (Frey & Meier, 2002; Lindqvist, 2012; Rosett, 1991). In recent decades, there has been a global trend towards the reduction of government support for the arts and culture (Mulcahy, 2006). In the spirit of economic liberalism, governments encourage arts institutions to strive for economic independence (Lindqvist, 2012). Many museums are not eligible to receive significant state funding if they cannot also show financial justification (Skinner, Ekelund, & Jackson, 2009).[[1]](#footnote-1) Along with the reduction in public funding, museum managers face challenges such as stiff competition for visitors due to an increase in the number of museums, and growing diversity of the leisure industry (Everett & Barrett, 2009; Van Aalst & Boogaarts, 2002). These challenges are particularly difficult for art museums because their cultural products appeal to a narrow segment of the market.

Pierre Bourdieu, a sociologist of culture and art, uses the terms ‘cultural capital’ and ‘habitus’ to describe the distinct aesthetic tastes and preferences of art museum audiences. Cultural capital refers to understanding and appreciating tastes perceived as associated with higher culture. Habitus includes an array of social tendencies, habits, skills, cultural knowledge, and tastes instilled in individuals in the process of becoming affiliated with a social group (Bourdieu, 1984). Other researchers agree that the consumption of art requires the construction of taste through education and prior experience, which is independent of income or the costs of participation (Blaug, 2001; Towse, 2003). Recent studies of characteristics of museum visitors indicate that people with higher educational, social, and occupational status are more likely to frequently visit art museums and galleries. Highly educated individuals have the skills and motivation required to enjoy museums. Occupational status implies an expectation that a person engages in a high-quality cultural lifestyle (Falk & Katz-Gerro, 2016).

For the much of the 20th century, museums have been viewed as shrines dedicated to art, from which members of the public who are not part of art circles tend to feel alienated. However, today, due to the expansion of privatization processes, art museums are adopting various strategies to expand their appeal to visitors and to better leverage themselves financially (Cohen-Schneiderman, 2014). To this end, they offer a greater number of new exhibitions, and exhibitions for art lovers alongside those with content that is more widely accessible to non-artist audiences, such as those on popular subjects and ‘blockbusters’. In addition, many museums offer activities and cultural and social events (Frey, 2003).

One variable affecting the number of visitors to a museum is location. Art institutions in major cities enjoy many economic benefits over those in peripheral areas, as they are easier to reach and therefore it is easier for them to sell entrance tickets (Rosett, 1991). In central locations, there are more people who understand and are interested in the arts and who frequently visit museums (Von Graevenitz, 2007). Art institutions and major cities have a mutually beneficial relationship. Major cities offer accessibility and a large potential audience. At the same time, expansion of a city’s art industry contributes to the local economy (Gronenberg, 2007; Heilbrun, 1992).

The literature indicates that museums dependent on revenue from visitors tend to adopt a business orientation and often provide a market-oriented consumer experience in order to attract as many visitors as possible. Museums that receive a high level of public support are more likely to focus on professional goals (Camarero et al., 2011; Frey & Meier, 2002). Apart from the financial security provided by public funding, art institutions that are regularly supported by government agencies are required to undergo regular quality assessment procedures, which set a standard for these museums and influence private donors’ decisions to invest in museum projects (Skinner et al., 2009).

Another source of income that may affect the art displayed museums is private donations. Studies examining thousands of exhibitions in major museums show that donors’ tastes are translated into the museum’s mix of exhibits. They found that wealthy philanthropists tend to support exhibitions featuring canonical works from the world of high art. Many of these philanthropists are also art collectors, and their support of certain exhibitions allows them to raise the symbolic and material value of works in their private collections. Donors such as corporate executives, who see cultural philanthropy as a way to promote corporate public relations, prefer to donate to popular and commercial exhibitions that will have broad exposure among the general public. The literature identifies the tension between curators (the art experts who design the exhibitions), and the demands of donors and economic considerations of museum managers, which may limit freedom of expression in the curating of the exhibition (Alexander, 1996a, 1996b).

1. Israel’s Museums’ Law only grants government support when there is a minimum of 7500 paying visitors per assessment year. <http://cms.education.gov.il/EducationCMS/Units/AgafA/Mozeon/support/tmichatarbut.htm> [↑](#footnote-ref-1)