

CONTENTS

<i>Contributors</i>	<i>xiii</i>
<i>Preface</i>	<i>xv</i>
1. Introduction and Overview	1
Victor A. Ginsburgh and David Throsby	
1.1. Introduction	1
1.2. Value and Evaluation in Art and Culture	2
1.3. Demand, Consumption, and Investment	5
1.4. Innovation and Technological Change	6
1.5. Trade, Development, and Cultural Diversity	7
1.6. Broader Cultural Issues	9
1.7. Conclusion	10
References	11
PART I: Value and Evaluation in Art and Culture	13
2. Creative Genius in Literature, Music, and the Visual Arts	15
Dean Keith Simonton	
2.1. Introduction	16
2.2. Achieved Eminence	17
2.3. Individual Attributes	23
2.4. Lifespan Development	26
2.5. Social Processes	34
2.6. Conclusion	41
References	42
3. Contemporary Experimental Aesthetics: Procedures and Findings	49
Paul J. Locher	
3.1. Introduction	50
3.2. An Artwork as Stimulus	51
3.3. Processes Underlying an Aesthetic Experience with Visual Art	58
3.4. The Viewer's Contribution to an Aesthetic Experience	67
3.5. The Art Museum as Laboratory	72
3.6. Conclusion	77
References	77

4. The Economic and Cultural Value of Paintings: Some Empirical Evidence	81
David Throsby and Anita Zednik	
4.1. Introduction	82
4.2. Hypotheses	85
4.3. Data and Method	86
4.4. Results	89
4.5. Conclusion	96
Acknowledgments	97
Appendix 1: Details of Paintings	97
Appendix 2: Variables in the Model	98
References	99
5. Values of Music	101
Jerrold Levinson	
5.1. Introduction	102
5.2. Preliminary Distinctions	102
5.3. Music's Value for Listener, Performer, and Composer	104
5.4. Manners of Musical Value	105
5.5. The Centrality of Music in Human Life	105
5.6. The Artistic Value of Music	106
5.7. Music's Extra-Artistic Value	109
5.8. Music's Aesthetic Value	110
5.9. Music's Symbolic Value	111
5.10. Music's Self-Affirmation Value	111
5.11. Music's Social Value	112
5.12. Music's Idiosyncratic Value	113
5.13. Music's Mood-Enhancement Value	113
5.14. Music's Accompaniment Value	114
Appendix	115
References	116
6. The Economics of Cultural Awards	119
James F. English	
6.1. Introduction	120
6.2. Prizes and Commerce	122
6.3. Prizes and Prestige	129
6.4. Conclusion	137
References	141

7. The Use of Stated Preference Methods to Value Cultural Heritage	145
Kenneth G. Willis	
7.1. Introduction	147
7.2. Contingent Valuation Methods	150
7.3. Choice Experiments	153
7.4. Discrete Choice Experiment Models	155
7.5. Estimating Price from Choice Experiments	167
7.6. Enhancing Choice Experiment Models	169
7.7. Conclusions	176
References	177
PART II: Demand, Consumption and Investment	183
8. Bestsellers and Blockbusters: Movies, Music, and Books	185
W.D. Walls	
8.1. Introduction	186
8.2. Conceptual Models: Bestsellers and Blockbusters	187
8.3. Empirical Models: Bestsellers and Blockbusters	191
8.4. A Selective Survey of Empirical Findings	199
8.5. Conclusions: Some Interesting Issues for Further Research	205
References	208
9. New Technologies and Cultural Consumption	215
Jason Potts	
9.1. Introduction	216
9.2. New Technology Changes Relative Price	219
9.3. New Technology Increases Variety	223
9.4. New Technology Induces New Preferences	226
9.5. Conclusion	228
References	229
10. Investment in Visual Art: Evidence from International Transactions	233
Benjamin R. Mandel	
10.1. Introduction	234
10.2. Testable Implications of International Art Sales	235
10.3. Real Exports of Paintings, Prints, and Sculptures	238
10.4. The Correlation Between Exports of Artworks, Consumer Goods, and Capital Goods	242
10.5. Art Trade and Permanent Income	247
10.6. Concluding Remarks	255

Acknowledgments	256
Appendix	256
References	259
PART III: Innovation and Technological Change	261
11. Cultural Innovation by Cultural Organizations	263
Xavier Castañer	
11.1. Introduction	264
11.2. The Determinants of Cultural Innovation by Cultural Organizations	268
11.3. Conclusion: Summary and Future Research	273
References	274
12. Digitization, Copyright, and the Flow of New Music Products	277
Joel Waldfogel	
12.1. Introduction	277
12.2. Framework	279
12.3. Effects on Demand and their Documentation	281
12.4. Revenue Reduction and Cost Reduction	283
12.5. Quantity Evidence	286
12.6. Direct Quantity Evidence on the Service Flow of New Products	287
12.7. Explaining Increased Quality	293
12.8. Conclusion	296
References	296
13. The Pricing of Art and the Art of Pricing: Pricing Styles in the Concert Industry	299
Pascal Courty and Mario Pagliero	
13.1. Introduction	301
13.2. The Live Event Industry: Facts, Literature Review, and Open Questions	304
13.3. Data and Summary Statistics	311
13.4. Price Discrimination: Measurement Issues	314
13.5. Price Discrimination at the Concert Level	314
13.6. Price Discrimination at the Artist Level	319
13.7. Identifying Artists' Pricing Styles	324
13.8. Candidate Explanation for the Use of Price Discrimination	327
13.9. Exploitation of Market Power	340
13.10. Discussion	352
13.11. Overview and Future Research	353

Acknowledgments	354
References	355
14. Media Ownership: Diversity Versus Efficiency in a Changing Technological Environment	357
Gillian Doyle	
14.1. Introduction	358
14.2. The Effects of Changing Technology	359
14.3. Concentrated Ownership and Economic Performance	363
14.4. Sociocultural Implications of Media Ownership	367
14.5. Media Ownership and Public Policy	370
14.6. Conclusions	373
References	375
PART IV: Trade, Development, and Cultural Diversity	379
15. Cultural Products in the International Trading System	381
P. Lelio Iapadre	
15.1. Introduction	382
15.2. The Debate on Trade and Culture	383
15.3. International Trade in Cultural Goods and Services: A Survey of Theoretical Models and Empirical Studies	386
15.4. Should the Cultural Sector be Protected from International Integration? Normative Issues at the National Level	391
15.5. The Global Governance of Cultural Policies: Normative Issues at the International Level	393
15.6. Conclusions and Suggestions for Future Research	402
Acknowledgments	404
References	405
16. Cultural Diversity, Copyright, and International Trade	411
Fiona Macmillan	
16.1. Introduction	412
16.2. Cultural Diversity as a Concept in International Law?	412
16.3. The Concept of 'Culture'	414
16.4. Copyright and Culture	416
16.5. Copyright as Part of the TRIPS Agreement	422
16.6. The Rest of the WTO	424
16.7. The Rights Clash?	430
References	436

17. Trade and Cultural Diversity	439
Alberto Bisin and Thierry Verdier	
17.1. Introduction	440
17.2. Theoretical Perspectives on International Trade and Cultural Diversity	442
17.3. Dynamic Cultural Transmission Models	449
17.4. Cultural Transmission and Competitive Economic Exchange	457
17.5. Factor Endowments, Trade, and Cultural Convergence	461
17.6. Group Consumption Externalities and Cultural Divergence	466
17.7. Increasing Returns, Market Size Effects, and Cultural Dynamics	472
17.8. Conclusions	475
Appendix: Proofs of Propositions	476
References	482
18. Cultural Diversity, Conflict, and Economic Development	485
Jose G. Montalvo and Marta Reynal-Querol	
18.1. Introduction	486
18.2. Measuring Ethnic Heterogeneity	487
18.3. Ethnic Diversity and Economic Outcomes	490
18.4. Heterogeneity and Conflict	498
18.5. Conclusions	502
Acknowledgments	503
Appendix: Proofs of Propositions	503
References	504
19. Culture, Linguistic Diversity, and Economics	507
Victor A. Ginsburgh and Shlomo Weber	
19.1. Introduction	508
19.2. Linguistic Diversity and Fractionalization	512
19.3. Standardization	527
19.4. Disenfranchisement	530
19.5. Concluding Remarks	539
Acknowledgments	540
References	540
PART V: Broader Cultural Issues	545
20. National Culture as Value Orientations: Consequences of Value Differences and Cultural Distance	547
Shalom H. Schwartz	
20.1. Cultural Value Orientations to Characterize Societies	548
20.2. Mapping Cultural Differences around the World	557

20.3. Comparison with the Hofstede and Inglehart Dimensions	564
20.4. Cultural Value Orientations and Economically Significant Variables	567
20.5. Conclusions	579
Acknowledgments	580
Appendix	580
References	584
21. Religion, Culture, and Development	587
Gani Aldashev and Jean-Philippe Platteau	
21.1. Introduction	588
21.2. The Effect of Religion on Individual Behavior	590
21.3. The Role of Religion as a Response to Market or State Imperfections	604
21.4. Market Structure Models: The Effect of Competition on Religion	613
21.5. The State as a Strategic Actor: A Political Economics Approach	616
21.6. Conclusion	625
References	626
22. Strategic Interactions Between Modern Law and Custom	633
Jean-Philippe Platteau and Zaki Wahhaj	
22.1. Introduction	634
22.2. The Effect of Legal Reform on Customary Practices: An Overview of Economic Theories	638
22.3. Radical or Moderate Legal Reforms?	656
22.4. Two Insightful Case Studies	666
22.5. Conclusion	672
Appendix: A Simple Excision Game with a Socially Inefficient Equilibrium	673
References	675
<i>Index</i>	679