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The Danish Museum System

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ABSTRACT: This paper deals with the Danish Museum System and presents a detailed examination of the Danish Museums, though restricted to museums devoted to cultural history rather than arts. The emphasis of the paper is on the system rather than the individual museum, in marked contrast to most contributions in the literature where the individual museum is analyzed. Due to the information policy of the Danish government it is possible to get closer look of the actual workings of the museums than is standard in the literature. The paper concludes that the Danish museums are autonomous to a degree that makes it unlikely that an optimal system of museums is achieved. The paper concludes by discussing some proposals for rearrangement of the museum system.

Keywords: museums, cultural policy, preservation

JEL Classification: Z1

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The Danish Museum System

1. Introduction.

Cultural heritage may be divided into three parts, the immovable objects such as buildings, the movable objects typically conserved in a museum, and the intangible heritage. The first part is discussed in a companion paper (Hjorth-Andersen 2004). The second part is discussed in this paper, and the intangible heritage will have to wait for another occasion.¹ I shall not be dealing with arts museums in this paper but only with museums devoted to the conservation and exhibition of historical objects, called *cultural museums*. The reason is that while there are similarities between arts museums and museums of cultural history there are also important differences. For example, there is a rather developed international market for art that is almost non-existent with respect to historical objects, and existence values are much more important for cultural museums than for arts museums.

In the international literature on museums, there has been a certain emphasis on the entrance pricing and on financing of museums generally.² That is certainly part of the story but may at the same time lead to a somewhat narrow view of the economic problems involved. The Danish museums allow, if not an insider view, at least more detailed information on the actual workings of museums, suggesting a number of other problems that could be profitably examined. In a sense, this paper is a research agenda suggesting a number of issues rather than providing an answer to a specific issue.

Museums are organized very differently throughout the world, and the Danish system should be seen as an example of a system of museums in a European country that is a relatively affluent country with a long history as a nation and a tradition for state involvement. In these respects, the Danish system is probably typical of Scandinavian systems, and presumably also other European states.

¹ There has been an increasing interest in the intangible inheritance within e.g. UNESCO. Presumably, the intangible inheritance includes the local language or languages. If this is the case, the intangible inheritance may be of crucial importance for the citizens of many small nations, as the local language may be threatened in the long run by extinction. This subject has not been discussed in the predominantly English speaking literature on cultural economics.

² See e.g. Pearce (1991), Feldstein (1991) and the special issue of *Journal of Cultural Economics* 1998, Volume 22, Issue 2-3.

2. The formation of museums.

Much attention has been devoted to the study of the individual museum, in the literature of cultural economics and elsewhere, but few have studied the entire museum system with the notable exception of Greffe (2003). Yet, the formation of museums is probably one of the most interesting issues.

In Denmark, the king granted democracy to the Danish people in 1848, and the new parliament established a national museum in 1849 partly based on royal possessions. Over the years, however, the number of museums has grown to more than 400 (including arts museums), and more than 250 museums are provided state support. The growth of museums is an international phenomenon, in Germany there are almost 6,000 museums.³ Historically, it proved insufficient to have a national museum telling the story of the nation. Many special interests have since been rewarded with a museum. There may be museums founded according to many criteria such as

- *Time period*, e.g. an archaeological museum
- *Object*, e.g. a collection of arms or instruments of torture
- *Region*, e.g. the Museum of Copenhagen
- *Persons*, e.g. the Hans Christian Andersen Museum in Odense
- *Special historical events*, the trenches of WWI
- *In connection with special historical buildings*, e.g. Alhambra
- *Special industries*, e.g. a naval museum.

Only the imagination limits the formation of museums.⁴ In time, we will have a museum of the supermarket, the computer, the pipe, the mobile phone, museums for rock stars and authors, former presidents and movie directors. The same story applies to arts museums.

This would seem to indicate the need for a definition of a museum as well as some criteria for the state to apply when considering state support. The International Council of Museums (ICOM) has such a definition:

³ See Institut für Museumskunde (2001, p.1).

⁴ Wood (1991) tells that the infamous Lubyanka prison in Moscow has been suggested as a candidate for a museum. In fact, there has later been constructed a small KGB museum in the building. The German war ship Graf Spee has been suggested to be moved from the bottom of the sea off Uruguay and turned into a museum.

”A museum is a non-profit making, permanent institution in the service of society and of its development, and open to the public, which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment.”

This definition does not limit the formation of museums, however. In the Danish Museum Act, there are a number of criteria that a museum must meet in order to obtain support. These are mainly concerned with buildings, adequate financial management, board composition, public admittance, and qualifications of the employees. There are only two requirements with respect to content: The collection should be 1) important and 2) not covered by another museum. These requirements will not hinder the formation of new museums. The local history of town A will not be covered by the local history of town B, and the history of garments will not be covered by the history of pipes. And who is to say what is important?

The answer is in Denmark the Minister of Culture. The Minister will, however, often be confronted with a very determined group of people convinced that a particular field deserves a museum. Such a lobby group may refer to the other museums already in existence - if garments have their own museum, why not shoes? Thus, we have the familiar situation that special interests are likely to prevail, as indeed they have, The details of this evolution of museums have not been studied in Denmark, however, nor to my knowledge in any other country, though it would seem to be a suitable subject for a study in political economy. The reason for such a study would be provide solid knowledge to the interesting issue: May we can expect a similar growth of museums in the future as we have in the past? *Can a society become saturated with museums, or will human ingenuity find suggestions for new museums?*

Historically, museums typically have their origin in a private collection. The state may have acquired this collection as spoils of war or expropriation, typically in a revolutionary situation such as the French or Russian revolution. Private donations have also been important. Many private collectors have devoted their lives to the collection of some item, and have expressed in their will that the collection should be conserved for posterity. The heirs may wish to escape the costs of maintaining the collection and may offer the collection to the state as a gift. The concept of gift in this respect should be considered in the light that the state may influence the wish by special rules of taxation or inheritance.

The gift usually has two consequences. One is that it may very well be expensive in the long run, as the costs of maintenance of the collection are usually not included in the gift. The second is

that the gift is usually given with a number of restrictions (The collection should be presented in a certain way, in a certain location, etc.). These conditions have not been investigated in Denmark, and there is little general knowledge of how they affect the practical management of a museum. With stipends, we have had a number of similar situations where a stipend was given to categories that no longer exist⁵ or has become meaningless due to inflation. The administrator of the stipend is allowed a broad interpretation of the original letter of foundation. Presumably, there is a similar tendency in museums.

There is complete ignorance with respect to the number and character of present private collections that may in time lay the foundation of new museums.

Once a museum has been founded, its collection is determined by the yearly increase and decrease. The increase may come from two sources, through expropriation or voluntarily. Expropriations are only used with respect to treasure troves, i.e. historical objects found in the soil. These have traditionally belonged to the king and now belong to the state while the finder gets a reward.

Voluntarily, the museum may acquire new objects by purchase or by gifts. Purchases are quite rare in Denmark. Whether that is due to limited funds or to a very thin market for historical objects is not clear.

The decrease of the collection is simpler to describe: NEVER! Few museums are willing to give up items of their collection. Possibly, if forced and under protest, they may give objects to other museums, but never to private persons. Indeed, giving or selling items to private persons would require the consent of the Minister of Culture which is unlikely to be given. Voluntarily, the museum may condemn some items, as it does not wish to keep them. Like capital goods, museum objects are influenced by two kinds of depreciation. One is the *physical depreciation* that is a major problem for museums. Another is the *psychological depreciation* where an object has ceased to be interesting to the public. In the latter case, we know very little about the response of the museums. Presumably, a psychologically obsolete item is not destroyed but quietly removed from the permanent exhibition into the storehouse. The argument is that the object may be uninteresting now but who is to say what will be considered interesting by future generations so the safe option is to keep the object in the storehouse.

Each museum thus has a tendency to ever-increasing collections. As time goes by, more objects will become “historical”, and the tendency has been to increase the number of subjects that

⁵ This stipend is for a young fatherless female with no means of support from town A wishing to study theology.

should be kept in a museum. *The perspective would be an increasing number of museums with increasing collections, and the costs to society will increase correspondingly.*⁶

3. The Danish museum system – conservation versus exhibition.

The framework of the Danish museum system is given in the Museum Act. The Act distinguishes between 3 types of museums:

- A. *Main museums.* A main museum has responsibility for a specific area. There are 3 main museums: The National Museum for historical objects, The State Museum of Art, and The State National Museum of Natural History. The latter is integrated into the University of Copenhagen.
- B. *State Museums.* There are five of those apart from the main museums.
- C. *Museums supported by the state,* totalling (including art museums) about 140 in 2003.

Apart from these museums, there are more than 200 local museums.

The conservation of the movable heritage is not only a matter of museums, however. The State Archives contain documents from many centuries, including the censuses. The National Library has responsibility for the conservation of books, drawings, etc. In Table 1 there is an overview of the yearly costs of maintaining these institutions. It should be noted that the national heritage is of course primarily a concern of the state. The small local and special museums and all the public libraries are not included in Table 1.

⁶ It should be noted that these perspectives are not dependent upon ownership. In some countries, e.g. the United States, the museums may be owned by a foundation so the increasing costs to museums may not present a burden to the treasury but the total amount of resources devoted to museums will increase nevertheless.

Table 1. Costs of conservation of movable heritage 2002

Million DDK ⁷	
Archives	291,8
Museums	329,6
Libraries	359,4
Total	980,8

Source: Hjorth-Andersen (2004b). The costs are total costs of these institutions including what is below referred to as costs of exhibition.

It is obvious from Table 1 that the three types of institutions cost roughly the same amount per year. There has been some attention in cultural economics to museums but little to archives and libraries but *archives and libraries play an important part in the conservation of the cultural heritage*. In Hjorth-Andersen (2004), the public costs of conserving the immovable cultural heritage (Buildings, castles, churches, etc.) are estimated at about 700-800 million DKK a year.⁸ Thus, the costs of conserving the immovable heritage and the costs of conserving the movable heritage would appear to be of the same order of magnitude.

The functions of a museum are to 1) acquire, 2) collect, 3) conserve, 4) research, and 5) communicate. O'Hagan (1998) aptly uses the analogy of the fingers of a hand. The fingers are independent but form a unity with a common purpose. By extension, research may be considered as the thumb as it functions together with one of the other fingers. The literature in cultural economics has focussed on the exhibition, and cultural sociologists on the characteristics of the attending public. The other functions are dimly lighted, however. In this section, I shall present some Danish numbers on the other functions in order to get a more complete view of museums. I have included figures for the other institutions. In Table 2, the numbers for five of the most important institutions are presented regarding registration, conservation, and substitution. The figures are based on labour allocations as presented by the institutions.

⁷ 1 € has equalled about 7,45 DKK for many years. 1 DKK = 0,13 € (or 0,16 US \$ in spring 2004).

⁸ This figure does not include the private costs of conserving houses worthy of conservation.

Table 2. The conservation effort in major Danish institutions, measured as total employment per year.

	Registration	Conservation*	Substitution	Total	Million DKK
State archives	13,6	5,8	16,4	35,8	14,3
The National Library**	34,2	9,8	6,5	50,5	20,2
The National Museum	6,3	19,5	1,0	26,8	10,7
The National Museum of Art	1,5	7,5	0	9,0	3,6
The National Museum of the Natural Sciences.	6,6	34	0	40,6	16,2
Total	62,2	76,6	23,9	162,7	65,0
Per cent	38	47	15	100	

Source: Ministry of Culture (2003, p.23)

* Conservation is here to be understood in a narrow sense as the restoration of items that are actually damaged or threatened to be damaged.

** The National Library technically consists of two separate libraries. One is The Royal Library in Copenhagen, another is the Statsbiblioteket in Aarhus.

Some inferences may be drawn from Table 2. One is that from an economist's point of view, accustomed to numbers in billions of dollars, we are talking about numerically rather small numbers.

A second is that registration is quite important compared to conservation. The National Library has a major function of registration as all publishing companies are required to deliver a copy of each book to the library for conservation, and so the registration costs will be high. The registration costs of the other institutions are insignificant. It should be noted, however, that the costs in Table 2 refer only to the actual costs, and these costs may be quite different from the optimal costs. There is reason to believe that more effort should have been put into registration. Obviously, registration of the collection is important to any museum but it may be done in different ways.⁹ Often, there are two problems. One is that registration is not carried out with respect to the individual item but rather to a collection of items, e.g. a collection of flint stones rather than flint stones 1, 2, 20. The second is that registration is usually with respect to the object but information relating to condition of the item is missing. Add to these problems the usual problems of getting registers to work together, and the result is that it is very difficult to get a national view of what is actually conserved. *The consequence is a tendency to conserve items that are not really worth*

⁹ Registration is important simply to control the museum's possessions. Well known is the story of the French Cour des Comptes that found a substantial amount of pictures at the Louvre could not be accounted for, see Benhamou (1998). The Royal Library in Copenhagen has a similar horror story, More than 700 of the most valuable books were stolen in the 1970es and 1980es by a trusted librarian. The theft was only discovered in 2003 due to an inquiry from an auction firm that wanted to establish the provenance of a certain book.

conserving, for example an item in poor condition, simply due to lack of information of the collection of other museums.

A third is the rather low costs of conservation. The costs in Table 2 are the actual costs but again one may wonder if the spending level is optimal. Conservation in a narrow sense as restoring items so that they may be kept for the future poses a traditional economic investment problem. If an object may be restored now at cost C_0 or n periods later at the cost C_1 obviously the object should be restored now if the implied rate of interest in the equation $C_0 = C_1(1+i)^{-n}$ is larger than the real interest rate. *One may doubt very much if economic rationality in this sense is observed with respect to restoration at the National Museum or elsewhere.* One reason is that there is no tradition for such calculations of opportunity costs in the world of museums. Another is that the cost C_1 is difficult to estimate. It would have to be based on information supplied by the museum and would be hard to verify by the Ministry of Finance. Consequently, as in similar situations such as the maintenance of sewers, the practical result is probably underinvestment in conservation. As no attempt is made to evaluate the monetary value of the objects, it is an open question if some objects are conserved at a cost out of proportion to the monetary value of the object or some objects are silently allowed to disintegrate that it would have been profitable to restore.

A fourth is that the different institutions have quite different cost allocations. The state archives devote a large percentage to *substitution*, i.e. the production of copies so that the originals will not be damaged by extensive use. In Denmark, there has been an increasing interest in genealogy, and a substantial number of people want to investigate their family origin. Therefore, the archives are not only used by researchers but only by many interested laypersons.

The conservation effort results in a collection that may exhibited presently or at some future time. In the latter case, the items are kept in storehouses. Very little knowledge is obtainable about the content of the storehouses. The storehouses form the basis of planned or contemplated future exhibitions, either permanent exhibitions or special exhibitions. However, it is not possible for outsiders to evaluate if the contents of the storehouses are suitable for exhibition or just second-rate objects.

The functions mentioned so far have very little political attention, and many issues are only dimly lighted. Much more attention, and probably much more political pressure, is devoted to the number of visitors. In fact, it seems likely that most museums experience a pressure to devote more resources to exhibitions and less to conservation in a broad sense. This pressure is facilitated by the fact that the exhibition effort is easily measured the number of visitors (an output measure) while

conservation effort is usually measured by an input measure (money or man-hours). In Table 3, the number of visitors is presented for the cultural museums.

Table 3. Number of visitors to museums 1990-2001

Cultural Museums	1990	1998	1999	2000	2001
National Museum	469	620	624	554	577
Museum of Defence	92	84	76	62	67
Danish Agricultural Museum	53	101	98	86	64
Danish Hunting and Forest Museum	25	34	33	29	27
Non-state museums	6.509	6.738	6.111	6.334	5.994
Total	7.148	7.543	6.942	7.065	6.729

Source: Statistics Denmark.

The number of visitors appears to be declining over the years despite the fact that the population has an increasing fraction of highly educated people. It would seem from Table 3, and confirmed from closer inspection of individual museums, that the number of visitors to each museum is not a steadily increasing or decreasing function but rather fluctuates due to a number of reasons. Special exhibitions would probably be the most important reason. These pose of course a problem to the econometrician attempting to estimate demand curves as quite a lot of dummies would have to be applied.

It is also evident from Table 3 that the small non-state museums actually have by far the major part of the visitors. In a new field like the economics of museums, it is tempting to concentrate on the major and most spectacular institutions but from the point of view of the public, the small museum should not be forgotten. *Each individual local museum may seem insignificant compared e.g. to the National Museum, but it is like calculus: The sum of many small parts may not be insignificant.*

The number of visitors should of course be seen in relation to the price of entrance.

Table 4. Ticket price for Danish museums. 2003.

Museum	Adults	Pensioners and Students	Children	Free
National Museum	50/25	40/20	0 < 16	Wednesday
Danish Hunting and Forest Museum	30	25	0 < 16	Wednesday
Danish Agricultural Museum	65	50	0<14	None
Museum of Defence	40	20	0<15	Wednesday
Town Museum of Copenhagen	20	10	0 < 14	Friday
Town Museum of Aarhus	0	0	0	All

Source: Hjorth-Andersen (2004b). In 2004, the National Museum introduced an experiment lowering the price to 25 DKK per adult and 20 for pensioners and students.

Each museum is free to set its own price. The pricing policy has not been very consistent over the years. Until the early 1990'es, the entrance to e.g. the National Museum was free but in 2003 it was about 8 \$ and had probably reached the revenue maximizing level. However, the management realized that a ticket price of that magnitude tended to diminish the number of visitors (!), and the price was reduced on a provisional basis in 2004. The entrance to most small town museums is free. The state museums practice a certain amount of price discrimination for allegedly social reasons including the tradition of a day where entrance is free.

Table 3 and Table 4 give some information about demand but economists would like to have fully estimated demand curves. These are not simple to provide for Denmark, however, and presumably also difficult for other countries. There are several issues involved.

One is the provision of prices. As shown in Table 4, there is no single price but rather a price schedule, and the stated price may be quite misleading as an indicator of the average price. As an example, the entrance price to the National Museum in 2003 was DKK 50 but the average price calculated as total receipts divided by total visitors was slightly less than 30. One may construct an average price but this is quite complicated. Prices such as those in Table 4 may be obtained from public records for, say, the last 20 years. The income from visitors has not, however, been published for each museum except for the past few years, and so the computation of the average price would require access to the records of each individual museum.

Another issue is if we may calculate the demand curve for each museum independently. We know very little about substitution between museums. Benhamou (1998) assumes that each museum

is a monopoly, and as the museums are rather different, presumably she has a point. Visiting a museum is time-consuming, however, and museums may compete with respect to time rather than collection. If the alternative for a family on a given Sunday is visiting museum A or museum B, the relative prices of A and B may matter so for a specific museum competition may not be ignored. If the objective is to estimate the national demand for museums, presumably interaction between museums could be ignored. The local museums in Table 3 would probably have little competition. However, a national demand function for museums would have to wait for the construction of a national price index of museums, and such an index is not provided by the statistical authorities in Denmark.

Danish museums have traditionally been only little interested in the question of pricing as the income from visitors was either non-existent or insignificant. In Table 5, the sources of income for Danish museums are presented. The figures are simple averages for 27 museums that include art museums.

Table 5. Income sources for Danish museums.

Entrance	14
Restaurant and shop	5
Other income	5
Foundations	12
Own income	36
Public support	64
Total	100

Source: Hjorth-Andersen (2004b), based on figures provided by The Danish Cultural Heritage Agency.

For the average museum, income from visitors is simply not very important, amounting to only 14 per cent of total income. Income from “Restaurant and shop” is 5 percent. Foundations provide support amounting to 12 per cent, often in connection with research projects or special events, rarely with respect to current expenses. About two thirds of all income comes from the public treasury. These are averages, and the precise distribution for the individual museum may be rather different. Based on the information in Table 5, *a museum director would be wise to please political masters rather than the visiting public*. In fact, the public support of cultural museums is quite substantial when measured per visitor. The figures are given in Table 6.

Table 6. Public support of four museums.

	Million DKK	DKK per visitor
National Museum	171,5	297,2
Museum of Defence	11,6	173,1
Danish Agricultural Museum	7,1	110,9
Danish Hunting and Forest Museum	5,3	196,3

Source: Kulturpengene 2001 and 2002

The figures for support per visitor are obtained simply by dividing the yearly support by the number of visitors, and the Danish Ministry of Finance has published such figures for many years. On average for all Danish museums, the cost per visitor has increased from a little less than 80 DKK in 1992 to almost 120 DKK in 2001. Superficially, this would seem to indicate that Baumol's Disease may operate with respect to museums but such an inference would be premature. The reason is that the figures presented in Table 6 simply ignore the conservation function of the museum, and as we shall see in the next section, this function may be quite important. In the public eye, however, this function is easily forgotten, and there has in fact been quite some discussion about the rising costs of museums. *The indicator "cost per visitor" may be misleading but it is simple to understand and therefore popular.* As with any indicator given undue emphasis, it may lead to poor decisions. The total consumer surplus enjoyed by the public is little influenced by marginal visitors who by definition enjoy only a marginal consumer surplus. The total consumer surplus is greatly influenced by the quality of the exhibition as perceived by the average visitor.

4. The National Museum.

The National Museum is a state enterprise under the supervision of the Ministry of Culture. Since 1992, it has been governed by a performance contract with the Ministry. Such contracts are standard for all state enterprises. In a performance contract, a number of goals for the next four years are stated explicitly with respect to conservation, research, exhibitions, etc. The director is rewarded if the goals are achieved although the details of the director's contract are not publicly available. On the surface, this arrangement would seem to give the museum substantial operational freedom. In reality, however, the performance contract is a document consisting of 15-20 pages

with many very specific goals. As the performance contract is to be renewed every fourth year the National Museum is in fact very closely supervised by the Ministry of Culture.

The National Museum is rather well described as it required publishing an annual report giving details about the inner structure that were unobtainable a few years back. In Table 7 the actual spending by the National Museum is given by category.

Table 7. The costs of the National Museum by category. 2001

	Costs 1000 DKK	Per cent
Antiquarian work	18.515	7
Collection	6.500	2
Registration	14.211	6
Conservation	37.290	15
Research	46.539	18
Communication	45.207	18
General management	29.745	12
Support functions	7.148	3
Buildings	47.999	19
Total	253.154	100

Source: Hjorth-Andersen (2004b), based on The National Museum: Annual Report 2001, table 4.1.1.

The costs relating to communication, i.e. exhibitions, amount to only 18 per cent of the total. The function “conservation” by which is meant the sum of antiquarian work, collection, registration, and conservation in a strict sense, amount to 30 per cent, and research to 18 per cent. About a third of the total costs spent on management, buildings, and support functions cannot be allocated to the primary functions. *In the public eye, exhibitions may be the primary function of the National Museum but to the museum, they do not constitute the financially most important function.*

It should be noted that the costs shown in Table 7 are the official costs. In general, costs as recorded by museums may differ quite substantially from the opportunity cost concept of economic theory. The most important is probably that museums do not have any balance sheet, and so their assets are not shown. Consequently, depreciation is not included in the costs, and the rent may or may not be included in the costs. Another factor is that as the collection of a museum is typically

steadily increasing, sooner or later the museum will have to be enlarged and provided with new buildings and additional storage facilities. The expected costs of these enlargements are not treated as ordinary costs but financed through special appropriations.¹⁰ In the local museums, the costs may be kept very low as no depreciation is calculated, the rent is paid by the municipality, and voluntary labour assists the museum. All these factors indicate that the costs of running the museums are underestimated so some unknown but probably substantial degree.

5. Museums to the people.

The concept of a museum is not very old by historical standards. With the exception of the British Museum, it is mainly a nineteenth century idea. Without much public debate, and certainly without the interference of economists, we now have almost 200 cultural museums in Denmark, and 121 of these obtain state support. Some of these museums are quite small, the smallest with less than a thousand visitors per year. Most of these museums were founded at a time where the majority of the people had very limited means of communication, a few trains and horse carriages. However, is this system suitable for a world where almost anyone has a car and television is universal? By their very nature, museums are conservative institutions. They are devoted to the conservation of objects originating many centuries ago, and the silent understanding is that the objects will be exhibited many centuries from now. One may wonder is the concept of a museum is adequate. The foundation for scepticism is the fact that public interest in museums has not grown over the past decades, despite increasing leisure and despite growing educational levels.

Money is not really my main concern! The total costs of museums at the state level are about 1 billion DKK, and if we include the local museums, about 2 billions, though the true figure as noted above is difficult to estimate. One may of course perform a contingent valuation study and see if the Danish population is willing to pay such an amount for the maintenance of museums but this approach does not appear to be very helpful. The answer, though probably affirmative, would be of little relevance in the political debate. No politician would be prepared to close down a particular museum or the entire museum system due to such a study. However, in a related field such as environmental economics, benefits are also notoriously difficult to measure, and so there

¹⁰ In the Danish experience, there can be no pretence of rational management with respect to the building of new storage facilities. All major institutions have complained for many years that their facilities were inadequate but their pleas went unheard. However, the situation turned suddenly in 2003, and almost their entire list of facilities was granted, at the cost of many hundred million DKK. It is like a rusty water pipe. Nothing comes out for a long time but suddenly the water flows. The alternative would of course be to estimate a yearly increase in the collection and give the institutions the corresponding means. This would allow the institutions to perform responsible planning.

has been a shift in emphasis from cost-benefit analysis towards cost-effectiveness. One may pose the same question in the world of museums. Given the amount spent per year on museums, is this amount spent wisely? This question would be considered much more legitimate in the political world. Politicians are accountable in western democracies for spending the money wisely, and so *the question “Do we get enough museum experiences for our money” is quite natural to pose.*

The specific answer to that question will of course depend upon the circumstances in each country. I shall not try to answer the question completely but take up two points that may be of more general interest to cultural economists.¹¹

The first question is with respect to the general structure of governance. Danish museums have a substantial amount of autonomy. The local museums are run by municipalities, and they have little interest in the general aspects of museums but are very locally oriented. The state museums by definition have a common owner but in practice, they have a somewhat narrow view of their mission. Management in state museums are appointed to run the museum as well as they are able to as seen from the point of view of the museum but not from any more “global” view of the Danish society.

By these remarks, I intend to focus on two aspects. One is the number of museums, and the other is the concept of a museum.

The number of museums has grown steadily over the years, but *restructuring seems to be nonexistent in this industry.* In any other industry, one would see closures and mergers but these are almost absent in the museum industry. One may wonder why. Presumably, the public is not interested in the individual museum per se but rather in its collection. In theory, it should be perfectly legitimate for two museums to merge. The combined museum may get a better collection and may be better able to market the museum to the public, or the combined museum could be run with lower costs. In practice, such mergers do not take place. For the local museums, this may be due to local pride and local politics. If a municipality supports a museum it may want to keep control and not support half a museum outside the municipality. Only quite recently has the Cultural Heritage Agency introduced the notion of mergers with respect to state museums but so far in a quite limited way.

¹¹ These are of course not the only issues. The issue of pricing is dealt with intensively in cultural economics, and the general issue of marketing the museum services is too obvious to be elaborated. Though there have been improvements in later years, museums in Denmark – apart from the privately managed art museum Louisiana! – have considered marketing efforts with suspicion.

Travelling exhibitions. The second is with respect to the larger museums, in particular the National Museum but similar remarks would presumably apply to the State Museum of Art in Denmark and many museums around the world. The typical idea of a major museum is that people should come to the museum; it is considered almost a civic duty. Museums directors and politicians may deplore the fact that many people do not and suggest more education and similar measures.¹² This is a rather passive attitude, however, worthy of a true monopolist. A more active attitude would be to say: *If people do not come to the museum, the museum should come to the people.* This is not unknown in the world of culture. In Denmark, The Royal Theatre tours the provinces, and the public library has a service where a bus comes to special institutions so people are not obliged to go to the library. Internationally, the Guggenheim Museum moves exhibitions from New York to Bilbao, Berlin, Las Vegas, and Venice.

In Europe, major museums are typically embodied in imposing buildings. The National Museum is quite large with collections from other countries such as China and Egypt that have little to do with Danish cultural heritage in the traditional sense of the word. No information is given with respect to how much time it would take a visitor to see all the exhibited objects but presumably it would take days. However, very few visitors come to the National Museum every day in a week to see the entire collection. The typical visit is only a couple of hours.

In addition, there is a certain amount of debate, or jealousy, due to the fact that Copenhagen has all the major cultural institutions in Denmark.

These facts would suggest the – quite controversial – idea that part of the collection of the National Museum should not be permanently placed in the museum but rather be moved around the country. One may imagine a system where 3 or 4 Danish towns built special facilities for travelling exhibitions. The National Museum could then exhibit part of its collection in these facilities. The result would almost certainly be that more people actually saw the exhibited items. Such a proposal is likely to be met with fierce resistance. The point is, however, that *the collection in the National Museum does not belong to the museum but to the Danish state. If the Danish State can achieve better results through restructuring the way its collections are exhibited it should do so.*

In the same spirit, one may inquire about the content of the storehouses kept by the National Museum. Are there actually valuable and interesting items that are not exhibited at the National

¹² In 1998, a survey by the Danish National Institute of Social Research showed that 29 per cent of the Danish population had visited a museum or an art exhibition in the last 6 months. The figure varied only little between age groups. The figure has shown substantial increase from 17 per cent in 1964 to 34 per cent in 1993 but a decline in the period 1993 to 1998.

Museum due to lack of exhibition space? If that is the case, it seems entirely possible that a better distribution of items would be achieved by not keeping the objects in storehouses but rather give them to other museums. The same remark would seem to apply to the case where the National Museum has almost identical duplicates of a given item. One bronze dagger may be interesting (especially if given sufficient information about the dagger) but 10 bronze daggers will not give the average visitor a commensurate increase in utility. Some of the daggers may serve the public better being exhibited in other museums.

6. Denmark as a region in Europe.

“Through time an international division of labour has developed concerning the conservation of the cultural heritage so that each country as a starting point is responsible for the collection and conservation of the national cultural heritage. Therefore, this account will also focus on the national heritage. The cultural heritage may be of Danish and foreign origin.”¹³

The quotation is from the introduction in an official whitepaper on the conservation of the Danish cultural heritage, and it may sound innocuous but it is not. What is actually meant is that once objects have somehow found their way into a Danish museum they should stay there, *the principle of possession*. On an international level, this principle has the practical consequence that museums in Europe and the USA have acquired a substantial amount of the world’s cultural heritage, and they do not intend to give these objects back to the country of origin. I am not suggesting that the country of origin should be the leading principle with respect to the movable cultural heritage. There are many reasons against that, the decisive reason being that a principle of the country of origin would introduce chaos.¹⁴ The present system may not be just but it may be

¹³ My translation, (Ministry of Culture 2003, p.3)

¹⁴ As a specific example one may take the Silver Bible Codex Argenteus which is kept at the University Library at Uppsala University. Does this bible rightly belong to Italy, Germany, the Czech Republic, The Netherlands or Sweden?

“The greatest gem among the manuscript treasures of the Uppsala University Library is the Codex Argenteus, the “Silver Bible”. This world-famous manuscript is written in silver and gold letters on purple vellum in Ravenna about 520. It contains fragments of the Four Gospels in the fourth-century Gothic version of Bishop Ulfilas (Wulfila). Of the original 336 leaves there remain only 188. With the exception of one leaf, discovered in 1970 in the cathedral of Speyer in Germany, they are all preserved in Uppsala. The manuscript was discovered in the middle of the 16th century in the library of the Benedictine monastery of Werden in the Ruhr, near Essen in Germany. Later on it became the property of the Emperor Rudolph II, and when, in July 1648, the last year of the Thirty Years’ War, the Swedes occupied Prague, it fell into their hands together with the other treasures of the Imperial Castle of Hradcany. It was subsequently deposited in the library of Queen Christina in Stockholm, but on the abdication of the Queen in 1654 it was acquired by one of her librarians, the Dutch scholar Isaac Vossius. He took the manuscript with him to Holland, where, in 1662, the Swedish Count Magnus Gabriel De la Gardie bought the codex from Vossius and, in 1669, presented it to the University of Uppsala. He had previously had it bound in a chased silver binding, made in Stockholm from designs by the painter David Klöcker Ehrenstrahl.”

reasonably efficient in that the more prosperous nations are trusted to conserve the major part of the cultural heritage. A country may deviate from the principle of possession due to special circumstances. Denmark did that when it transferred manuscripts to Iceland in 1971 and later other objects to the Faeroe Islands.

However, the international aspect cannot be ignored. There are two major factors.

One is that the National Museum in Denmark is meant to document the Danish state, and that notion is gradually being undermined. Denmark is slowly becoming a region in Europe. This will imply a complete new attitude on part of the museum. The ideas in the previous section with respect to restructuring will apply on a European scale, and specialization would seem to be an obvious answer. At present, Danish law prohibits transfer of museum objects to museums outside Denmark, and similar provisions are probably in place in other countries. Mutually beneficial exchanges between museums in Europe are either prohibited or made so difficult that they are not executed. The result is that it is difficult for museums to adapt to changing circumstances. They are stuck with the collection they more or less fortuitously happen to have.

And circumstances are changing. International tourism is a major factor in this respect. Many Danes every year visit museums in Europe and all over the world, and if they have been to the Egyptian Museum in Cairo or the National Museum in Athens, they are not likely to be impressed by the collection of Egyptian and Greek items in the National Museum in Copenhagen. Nor will international visitors be particularly interested in such collections.

My suggestion is that not only the National Museum but all large museums face a major period of transformation from being national museums with monopoly status within their field of specialization to museums with a specialized status in a European context. The European Union may have left culture as a national matter but the international pressure from the public cannot be ignored in the long run.

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