10. Conclusion

After the establishment of the Dutch Republic, painting and publishing developed from fairly modest trades into booming industries. This study has traced the changing faces of these industries, through their emergence at the end of the sixteenth century to their extraordinary expansion during the first half of the seventeenth century, and then through their stagnation or decline, depending on the sector. Previous studies have identified a number of factors that contributed to the boom in cultural production in the Golden Age as well as to its subsequent decline, ranging from individual genius, changing market forces, the general commercial infrastructure, unique cultural preferences, and adverse conditions in other countries. I argue that the extraordinary artistic and economic outcomes described in this book were more than the sum of these factors, and that Dutch book and art producers did not simply ride the Golden Age wave. The local organization of production proved to be just as conducive to growth and innovation as the general circumstances. Creativity was organized in such a way that it generated exceptional levels of economic competitiveness throughout the cultural industries for a century at least. The findings of this research are presented here, organized around the three primary analytical elements of the theoretical model on spatial clustering outlined in the introduction: the industry life cycle, properties of cultural industries, and the diamond model.

The life cycles of painting and publishing

On the basis of new and existing quantitative and qualitative sources, I discerned different phases in the development of the early modern Dutch painting and publishing industries. Drawing on the notion of the stylized industry life cycle, I modelled these phases as distinct stages in an industry’s development: emergence, growth, maturity, and decline. It should be emphasized once more that the notion of the life cycle is used here only as an analytical device. The construct of industrial life cycles itself does not offer an absolute or exact rendering of historical industrial development but is used primarily to organize the many fragmented observations on the early modern markets for books and paintings.
Emergence

The relatively sudden concentration of cultural production in the newly established Dutch Republic can be explained by the combination of ‘historical accident’, in the form of the Dutch Revolt and the fall of Antwerp, and the existence of a local infrastructure that was relatively favourable to immigrants and other start-ups. Prior to 1580, cultural industries in the northern provinces of the Low Countries had been relatively underdeveloped. Their size, scope, and artistic accomplishments paled in comparison with those of the Southern Netherlands, Antwerp’s in particular. During the third quarter of the sixteenth century, a series of events following the Dutch Revolt shocked the system both on the demand and the supply sides. Numerous producers from the Southern Netherlands relocated to Dutch towns where they met an increasing demand for luxury products such as paintings and books driven, in turn, by rising economic prosperity.

Leiden, Amsterdam, and The Hague developed as the main centres of book production and distribution. The uneven spatial distribution of book production across the country was determined by the size of local demand and by distinct urban amenities: the university in Leiden; the presence of the court and the States General in The Hague, also briefly in Delft; and the thriving commerce of Amsterdam. These factors affected the demand conditions, the presence of related and supporting industries and, in turn, the size and character of local book production. Within each of these local clusters, certain key entrepreneurs led the way, most notably Cornelis Claesz in Amsterdam. In the case of painting, Haarlem and Utrecht took centre stage. Amsterdam also attracted a large number of painters but underperformed when it came to measures of artistic prominence. Here too, local demand conditions accounted for the initial selection of certain towns where painting emerged on a significant level. However, previous reputations and the presence of acclaimed artists provided an additional impetus. The interrelations between book production, graphic art, science, and painting were a prominent feature of Dutch cultural production during this stage.

These early decades should be seen as marking the phase of emergence in the industry life cycle and as a period in which the Republic was catching up rather than taking the lead. By the 1600s, the scale and scope of production and trade had increased significantly, but the overall size of both industries was still relatively modest. Although potential demand was already high during the phase of emergence, it had not yet developed into mass demand.
for cultural products. It would take another few years before the Dutch Golden Age of painting and publishing could really establish itself.

**Growth**

From the 1610s onwards, a new generation of entrepreneurs introduced a string of product and process innovations that was crucial to unlocking potential demand. These newcomers had to capture their own slice of the market by differentiating their products, and they turned to the members of the middle classes, who could not afford sizeable, labour-intensive history paintings or large and lavishly illustrated books. Drawing on the groundwork of their predecessors and pushed by increasing competitive pressure in the traditional markets, these entrepreneurs recognized the potential of untapped market segments that were forming as a result of economic growth. They developed new genres, styles, and business models, and as a result the prices of paintings and of books fell, products became increasingly differentiated, and new consumers entered the cultural marketplace. The conversion of potential demand into actual demand marks the growth phase. No longer primarily driven by exogenous factors, the painting and publishing industries entered a period in which growth and innovation were also driven endogenously.

A notable feature of both industries was the relative integration of the market, as a large number of firms and workshops focused on its middle segments. This was mirrored in the spatial distribution of production. Even though cultural hubs can be easily identified, the geography of cultural production was polycentric especially compared to other countries. Producers developed intensive personal and business collaborations as well as rivalries, both within their own industries and with related or supporting industries. Local institutions and organizational structures, most notably guilds, were established in most towns. In the case of publishing in particular, local entrenchment was unmistakable, while painters were more dispersed and more mobile. Nevertheless, in painting too, local specializations developed. Simultaneously, the polycentric urban structure and the relatively open organizational arrangements allowed for the diffusion of people, products, and ideas as well as the development and reproduction of specializations. Local concentrations of painters and publishers entered positive feedback loops, reinforcing local growth and innovation over time. This resulted in an intensification of the already rapid and diverse series of product variants, further driving growth and innovation.
Maturity and decline

The artistic and commercial expansion of Dutch painting and publishing did not last. Around the middle of the seventeenth century, local markets became saturated. The dynamic of the growth phase had quickly also drained market potential, both in terms of scale and scope. Moreover, changing macro-economic circumstances curtailed further population growth and advances in purchasing power, and the absence of radical technological innovations limited the potential for further reduction of production costs. On top of this, there was little room for improvement in distributive practices due to the relatively early development of a virtually countrywide distribution network.

Once again, increasing competitive pressure heralded a phase of spatial and institutional restructuring and the development of new business strategies. Producers turned to the higher and lower ends of the domestic market. In painting, a renewed focus on painting on commission and a strengthening of relationships with consumers were evident. In publishing, markets also became increasingly segmented. Moreover, rather than investing in novelities, producers opted for caution, utilizing previously developed competences. In both sectors, practices of imitation and emulation rather than genuine innovation became more pronounced. The use of existing repertoires in the form of derivative styles and genres testifies to risk-averse behaviour. During this stage, cultural industries became increasingly concentrated, both spatially and organizationally. This resulted in the demise of mid-sized firms and the increasing importance of larger towns in cultural production. In all, local production systems became less accessible. People who could have been publishers in the growth phase now focused on bookselling or other activities, and many potential artists never advanced beyond decorative painting.

As producers were facing stagnating or declining domestic demand, painters and publishers increasingly focused on export markets, and their attempts to limit financial risks resulted in the rationalization of distribution and marketing. Publishers were particularly successful in creating new avenues of development, although painters too developed prudent business strategies. Previously acquired sources of competitiveness attracted and nurtured a new group of immigrant intellectuals and publishers, who, in hindsight, came just in time to steer Dutch book production towards an open window of opportunity in the form of new international markets. After the loss of export markets, just before the middle of the eighteenth century, Dutch painters and publishers were once again forced to adapt to
market saturation and, in the case of painting, even market contraction. The restructuring of production and trade can be interpreted as a response to the new situation. This resulted in changes in the organization of production, most visible in the gradual separation of publishing, printing, and bookselling, and the promotion of painting as art.

Although the development of novelty and quality in cultural production during the long eighteenth century pales in comparison with the previous century, the market strategies chosen by cultural producers should not be dismissed. In a saturated market, resorting to cheaper and less ‘creative’ inputs by lowering investment in production, as well as focusing on distribution and marketing, may certainly be considered rational strategies.

**Painting and publishing as cultural industries**

Thus far, parallels have been drawn between the stylized industry life cycle theory based on patterns in present-day manufacturing sectors and the evolution of early modern Dutch cultural industries. However, the fact that cultural industries can be distinguished from other economic sectors has significant implications for the way in which production and distribution are organized. Modern theory, moreover, should not be applied indiscriminately to the early modern period.

In the introduction, several general properties of cultural industries as identified by Richard Caves were discussed: demand uncertainty (nobody knows), the attitudes of artists towards their work (art for art’s sake), horizontal and vertical product differentiation (infinite variety), temporal coordination (time flies), durability (*ars longa*), the coordination of different inputs (motley crew), and the vertical differentiation of artists (A-list/B-list). These properties have implications for the way in which cultural industries are organized, even though the relative importance of such features may vary by industry. While these structural properties are merely descriptive in themselves, their analytical contribution lies in the manner in which they inform features of industrial organization. These, in turn, can shape how industries develop over time and across space.

Even if modern film or music production – or even modern visual arts and publishing – cannot be directly compared to early modern cultural industries, Caves’s seven basic features seem to apply across the board. Demand uncertainty, a potential issue in every market, is especially significant here because of the subjective qualities of cultural goods. This was visible, for instance, in the production of paintings, for which, around the middle
of the seventeenth century, information asymmetries were becoming a serious problem. A second related feature on the demand side concerns the issue of temporal coordination and the short product life cycles of certain cultural goods. The continuous improvements observed in distribution and marketing, especially after 1650, can be interpreted as stemming from this property. Again, consider the ‘motley crew’ feature. Whilst principal-agent relationships exist in cultural industries, many products are based on more horizontal relationships or even joint ventures. Book production was a particularly collaborative affair, and all the inputs of contributing parties had to be available at the right cost, at the right time. Moreover, the life cycle analysis shows that the relationships between book producers, printers, and booksellers, as well as paper dealers, typecutters, and authors, were not static but changed over time.

Caves also distinguished two primary aspects of differentiation: those of products and those of skills. Cultural producers compete on the basis of differentiation rather than cost alone. The varied and competitive market of the Dutch Republic saw a massive flow of marginally different product variants introduced over a short period of time. The vast variety of books and paintings contributed to information asymmetries and an increasing differentiation between producers, especially in the case of painting. Although vertical and horizontal differentiation in cultural industries is generally labelled as ‘infinite’, potential variety in the early modern period turned out to be decidedly finite. Potential product and process differentiation was limited, if only because producers had to connect to existing traditions in order to convey meaningful content to consumers. Caves’s fifth property, creative production, is the vertical differentiation of skills. Cultural producers are ranked according to their skills and talent, and in these industries this does not result in a winner takes all structure of competition but in a small top tier of stars on a large number of lower-ranked producers. This also took place in the early modern art market and even intensified during the period under study here, especially under the influence of demand and quality uncertainty.

Then there is the property of ‘art for art’s sake’. Caves has suggested that artists take satisfaction from the work itself and have less interest in (financial) rewards. This would separate art from craft or mere decoration, and it means that many more people invest in an artistic career than would be predicted by attending only to reasonable expectations of financial rewards. The notion of art for art’s sake is difficult to maintain even nowadays, but it was particularly difficult for early modern cultural markets in which most painters and book producers were craftsmen rather
than artists in the modern connotation. However, in the case of painting, amateur draughtsmen and painters became increasingly important, blurring the boundaries between the craftsman, the artist, and the consumer. This particular feature can put additional pressure on competition within the sector and blurs the distinction between the production of texts and works of art as an occupation, as a talent, or as a pastime. That such features could become a point of distress is clear from information asymmetries that threatened market functioning and from the organization of painters in more exclusive societies during the phase of maturity. Furthermore, in the case of publishing, the large share of producers in the datasets whose names appear only on a handful of imprints indicates that many non-professionals were active in this cultural industry.

Finally, the issue of durability was also of great importance to the development of early modern Dutch painting and publishing. Both books and paintings were durable products, the latter especially; this could limit sustained demand for new products. Paintings were meant to decorate walls, and the space on walls was limited. This became critical in around 1670, when substitute forms of wall decoration became fashionable. Combined with the unpredictability of demand, there was a particularly strong risk of overproduction. The increasing importance of second-hand markets and the distribution channel of auctions can be appreciated in this light. Producers explored a range of solutions in order to deal with these issues, especially in times of market saturation. For example, they set out to strengthen the position of their guilds, articulate notions of product quality, establish separate painters’ societies, and deploy secondary market methods such as auctions and raffles.

Market counterparts of Caves’s properties are also visible in the protection of investments against copying and other forms of piracy, through privileges in the case of publishing, and the increasing role of expert art dealers concerned with the issue of ‘autograph’ paintings. The net result was that the complex interactions between producers, suppliers, and consumers, as well as timing in the production and distribution processes, became increasingly formalized and rationalized. As such, they clearly shaped the way painting and publishing were organized. And if this set of features influenced organization of production, it may have also influenced the speed with which the early modern Dutch painting and publishing industries moved through their life cycles. Dutch producers had catered to their markets so rapidly and in such variety that by the middle of the century there was little room for further growth and expansion. The properties associated with the production of cultural goods may therefore have
accelerated these specific industry life cycles. The high rates of innovation and the levels of output achieved by Dutch cultural industries during the period of strong endogenous reproduction meant that the growth phases would last for just a few decades.

**Painting versus publishing**

For the most part, painting and publishing were subject to the same exogenous factors, and they also displayed a comparable endogenous dynamic. Still, there were significant differences in spatial and diachronic trends. The publishing industry did not experience the same sharp downturn as painting, and it was much more geographically embedded. These differences can be explained, in part at least, by differences in the character of the two sectors.

In the case of publishing, specific locations were related to specific urban amenities, access to labour pools, and the presence of important suppliers. In the case of painting, the presence of certain masters or untapped demand could play an important role. For painters, therefore, the importance of place lay in the benefits they could derive from locating close to (potential) consumers and to each other, as well as in tapping into established reputations of towns as artistic centres. Compared to publishers, they were less tied to specific locations, at least in the long term, and as a result the geography of publishing was more resilient. Most publishing firms had capital invested in a printing establishment and in warehouses storing paper and stock. This limited their options regarding permanent or temporary relocation. When publishing firms were passed on to the next generation, the fixed capital and established distribution networks made it more difficult to justify moving elsewhere. This was different in the case of painters’ workshops.

Another difference concerns the function of the products themselves. Many of the books produced in the early modern period were purchased for religious or occupational reasons, reducing the significance of quality and lessening the risk of demand uncertainty. This specific difference was strengthened when paintings lost their more utilitarian decorative function after the middle of the seventeenth century. Moreover, there was a significant difference between the set of skills required to become a successful publisher and those determining the potential for painters. The elusive yet crucial key word is talent. Not surprisingly, the feature of artists’ ranking was much more pronounced in painting. First of all, publishing was generally a collaborative affair and therefore less dependent on a single person’s skill set. More importantly, though painters and publishers were
both trained in master-apprentice relationships, publishing – printing in particular – demanded less elusive skills. The form and content of books were less determined by the publishers’ creativity and originality. As a result, publishers’ competences could be passed on more easily to the next generation, whereas in the case of painting it remained to be seen whether apprentices, who were often sons, possessed the necessary talent to sustain and reproduce a workshop’s reputation. Because of these factors, the painting sector’s reproductive capacities were less developed.

Differences in the reproductive capabilities of skills and competences also had implications for the different diachronic trends, expressing themselves in the collapse of painting versus the sustained production of book titles. From the 1660s onwards, the trajectories of Dutch painting and publishing started to diverge. Book production remained relatively stable in terms of output, whereas the number of painters and newly produced paintings fell dramatically. The most obvious explanation for the different paths of development is the difference in functionality. Book producers had a solid consumer base in the demand for utilitarian products, and they were less threatened by alternatives. Paintings were part of a spectrum of visual arts and wall decorations ranging from expensive tapestries to cheap prints. Moreover, the spaces on which new paintings could be hung were limited. To make matters worse, the last quarter of the seventeenth century witnessed the rise of other forms of wall decoration. In consequence, not only did demand for new paintings decline, but cabinet paintings went out of fashion. In publishing, there was also the issue of durability, but in contrast to paintings, books were also used as sources of information and entertainment. They therefore required updates and held the potential for added elements of novelty.

Another explanation for the diverging trends after 1660 can be found in the fact that Dutch publishers were more successful in tapping into foreign markets. Three essentially exogenous factors were of aid here: the adverse conditions in other countries, most notably in France and England, for book production, combined with increasing demand; the Huguenot stimulus; and the development of a domestic industry in superior paper. This rapid move into production and distribution for foreign markets would have been unthinkable without the firmly established and open field of domestic book production together with a developed trading infrastructure. The shift in focus to foreign markets is also discernible in the emigration of Dutch artists and the export of seventeenth-century originals, copies, and adaptations. Nonetheless, producers in the painting sector were not entirely successful at making a comparably rapid transition to satisfy foreign market demand. It could be argued that painters more than publishers required geographic
proximity to their markets. As a consequence, painting as a sector may simply have been less conducive to foreign market production. At the same time, producers in the Southern Netherlands had shown that it was possible to sustain successful export functions. It is also possible that Dutch painting was too restricted by previous successes and specializations to diversify from the bottom up without the assistance of determined merchants or institutions such as art academies. By the end of the growth phase, painting had become highly specialized, and shifting to substitutes such as wall hangings and prints, or opting for entirely new or even foreign styles and genres, required a flexibility that most painters did not possess. Besides, Dutch art dealers were able to compete in foreign markets by acquiring relatively affordable seventeenth-century works that were auctioned on a large scale within the Dutch Republic. Arguably, this could have reduced the necessity to develop a full-blown export-oriented production system.

By around 1800, the end of the period under study here, the two sectors had not yet restored the positions they acquired early on as internationally innovative market leaders. It is possible that they suffered from the same dynamic that intensified expansion during the growth phase. Patterns of growth, innovation, and specialization were reproduced over time, but so too were new eighteenth-century routines that developed in response to market saturation.

Spatial clustering as an explanatory framework

For this study, the geographic distribution of cultural production was addressed as a phenomenon that needed to be explained and as a possible explanation for the Golden Age of cultural production. It was never the objective to quantitatively measure whether clustering directly affected the performance of clustered painters and publishers. This would have required a systematic comparison of the inputs and outputs of firms in clusters compared with firms outside of clusters. Instead, the aim was to use clustering theory to understand both the spatial and diachronic development of painting and publishing. Hence, this study was also an exercise in establishing the analytical value of cluster theory for research of the early modern period.

In the case of early modern Dutch painting and publishing, patterns of co-location were relatively easy to ascertain. The geographies differed by industry but overall, cultural production was concentrated in towns covering a specific geographic area now referred to as the Randstad area, an urban
grid comprising Amsterdam, Rotterdam, The Hague, Utrecht, and several smaller towns. Possible initial causes of this industrial concentration were not hard to identify: urban amenities; large or sophisticated demand conditions; the presence of related and supporting industries; and the presence of key entrepreneurs in the industry concerned. These attractive qualities resulted in the development of ‘critical masses’ of producers in a limited number of towns. Moreover, the producers were often concentrated in the relatively small geographic space of early modern downtowns. But cluster theory is about more than mere co-location; it is about interactions. This is where Michael Porter’s diamond model came in: the spatial distribution of production; factors on the demand side; developments in related and supporting industries; institutional development; business strategies; and the competitive structure of the industries. All these components mattered. The aim, therefore, was to identify and weigh the relationships between different elements in Porter’s diamond, across place, time, and industry.

The literature on early modern Dutch publishers and painters offers an abundance of examples of producers’ relationships with other producers, within and outside guild structures, with consumers, with local institutions such as governments, universities, and theatres, and with related and supporting industries. Identifying the actual cluster dynamics proved much more difficult. Concepts such as agglomeration externalities, increasing returns, and positive feedback may help to explain why industries continued to be concentrated in specific locations, but they are difficult to measure, especially for the early modern period. However, looking at the basics of the theory offered some insights.

It can be assumed that knowledge spillovers resulted, intentionally or unintentionally, from rivalry, collaborations, and shared guild membership, but also on a more personal level in the form of family ties, marriages, and friendships. Moreover, physical proximity increased the opportunities for spillovers. There can be no doubt as to the various types and intensity of formal and informal interconnections between firms in the Dutch publishing and painting industries. Instead of listing these interactions time after time, the analysis focused on continuities and discontinuities in the relationships between the components of Porter’s diamond model. Accumulated expertise, specialized infrastructures, established interconnections between firms in the same and related industries, as well as local institutional grids, all suggest that painting and publishing firms could have benefited from externalities associated with agglomeration.

Just how extensive and important these organizational structures were depended on the industry in question, on the stage in the industries’ life
cycles, and on the specific town in which a cluster developed. Moreover, this study showed that the self-reinforcing mechanism in the growth stage was further strengthened by the broader economic, social, and political context in which Dutch publishing and painting developed. Compared to other countries, both painting and publishing in the Dutch Republic displayed a distinct polycentric production structure and an even more dispersed distribution network. This brought to mind the concepts of local buzz and global pipelines. Clusters of painters and publishers had the best of both worlds – for a while at least – being firmly embedded in specific local industrial atmospheres (buzz) and profiting from the ensuing externalities, while also maintaining many inter-local and foreign network ties (pipelines) that provided the local production systems with continuous flows and injections of external knowledge. Such a balance enables producers in clusters to weather exogenous shocks since it reduces risks of ‘lock-in’ and enhances adaptive qualities.

Nonetheless, the claim that such external openness guarantees adaptive capabilities is difficult to test, not least because cluster studies have persistently neglected to show examples of failed cluster formation and sustenance. This study suggests that the success of Dutch cultural industries was due to more than just local dynamics, but that they benefitted also from interactions between towns within the Randstad. Dutch towns were well integrated through an efficient infrastructure, and local entry barriers were low. Although Dutch cultural industries benefitted from clustering, local production systems were at the same time remarkably open. In other words, the distinct urban structure of the Dutch Republic made for a second complementary competitive advantage. It can therefore be argued that within the Dutch Republic, the urban grid of a select number of towns constituted a cluster in its own right. The story of the early modern painting and publishing industries further suggests a unique combination of urban openness and entrenchment in local industrial production systems – at least for a while. Even if this could not guarantee sustained growth, it may have contributed to accelerated advancement during the growth phase. The downside of this cluster dynamic was that markets were soon exhausted.

Creative flames and golden ages

Early modern painting and publishing were chosen as case studies of cultural industries. However, similar features and forms of organization can be identified for other cultural industries, and even other early modern
industries in general. The implication is that the explanatory framework of spatial clustering may also be applied in other case studies, even in other countries. This would be particularly beneficial to the development of an analytical framework of spatial clustering that would be more sensitive to history and industry. A typology of industries and stages in product, cluster, or industry life cycles could be a logical follow-up based on the outline presented here. Obviously the concentration of artistic and economic achievements in the Dutch Republic, or Amsterdam in particular, is not unique either. Let us return to the large questions discussed in the introduction: ‘Why [should] the creative flame burn so especially, so uniquely, in cities and not the countryside and what makes a particular city, at a particular time, suddenly become immensely creative, exceptionally innovative?’ (Peter Hall) Or ‘Why do recognized and celebrated achievements, across several fields of endeavour, tend to cluster within cities over relatively short periods of time?’ (Patrick O’Brien, attributed to Gerry Martin).4

The findings of this study correspond well to O’Brien’s more general discussion of conditions that help to explain early modern golden ages in Europe. First, a set of conditions predisposed certain towns to economic and artistic success: a favourable position in regional, national, and international trade; well-functioning markets and transport infrastructures; human capital accumulation; and experienced civic urban governments that enjoyed some degree of autonomy. Second, a process of societal ‘reordering’ took place in these towns, possibly via political, socio-economic, or cultural restructuring.5 Immigration, relative tolerance, and the capacity to absorb external influences in local structures characterized initial growth, as did the variegation and the expansion of local demand. Hereafter, success lay in the fabric of the city as the conduit for familiar connections to an economic base, for competition, emulation, and the diffusion of commercial intelligence, and for easy and productive connections that can be formed across domains of expertise and among neighbours.6

These interactions or connections shaped urban culture, which in turn generated new achievements and sometimes periods of exceptional cultural and commercial success. Between the conditions identified by O’Brien and the mechanisms of competitiveness discussed in this study, an increasingly coherent picture emerges of the phenomena of golden ages and local explosions of creativity. The contribution of this study, therefore, lies not so much in ousting existing analyses of cultural production in the Dutch Golden Age, but in adding a firm but flexible analytical framework to the recognized histories of specific industries or cities, and to the study of golden ages in general.
Notes

2. Bathelt, Malmberg, and Maskell, ‘Clusters and Knowledge’.
3. The appropriateness of the city as opposed to urban networks as a unit of analysis is also discussed in O’Brien, ‘Reflections and Mediations’, p. 11.
6. Ibid., p. 35.