In summary, although some of the papers in this collection make solid contributions, if somewhat dull reading, the collection as a whole is badly conceived. The editors apparently regard any paper which mentions the words art and economics as a candidate for inclusion in a book on the economics of art. We thus have yet to see a collection of papers by economists which takes seriously the problems and puzzles of art and culture.

Note

1. These questions are raised and perhaps answered in Rosen (1981), Baumol and Bowen (1966), and Cowen and Tabarrok (1998).

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Michael H. Kater, *The Twisted Muse: Musicians and Their Music in the Third Reich*. New York: Oxford University Press, 1997, xv + 327 pages, ISBN 0-19-509620-7.

The Twisted Muse is at once an analysis of Nazi cultural theory and policy, a case study of interwar labor markets, and a history of a neglected turning point in classical music. Kater realizes impressive economies of scope by addressing all three topics in a single volume, providing sensitive decompositions of the influence of economic conditions and ideology on the development of German music under Nazism. Much like David Schoenbaum's *Hitler's Social Revolution, The Twisted Muse* persuasively depicts the Nazis as revolutionary ideologues who nevertheless had the pragmatism to impose lop-sided bargains on Germany's pre-Nazi elites. As Kater puts it, "[T]wo conflicting tenets, censure and toleration, turned out to be the guidelines for music creation in the Third Reich" (p. 11).

Kater begins by describing the desperate economic situation of most German musicians in 1933, many of whom sensed that Hitler was likely to assist them in two ways: creating jobs with government money, and opening up existing jobs held by Jews and other disfavored groups. Two different bureaus were established for the promotion of "German music": Rosenberg's Kampfbund für deutsche Kultur (Kfdk), and Goebbels' Reichsmusikkammer (RMK). The Kfdk was more ideological but less influential; in practice, Goebbels' RMK had the greater impact, embracing some degree of artistic tolerance in order to win the cooperation of famous musicians like Richard Strauss.

Later chapters compare and contrast the careers of German musicians who opted to compromise with (or actively support) the Nazi regime with those who fled abroad to escape persecution. The analysis is subtle: to take one example, in spite of strong nationalist credentials, Knappertsbusch found himself out of a job because Hitler was unimpressed with his artistic ability. Young, rising musicians like Karajan were particularly likely to affect Nazi sympathies; conductors like Karl Böhm with suspect modernist tastes paid for their artistic Lebensraum with musical favors to the Party. While Schoenberg's exile as both a Jew and a twelve-tone composer was typical, it sometimes happened that a composer of mixed descent like Carl Orff would decide against emigration – and wind up composing one of the most notable pieces of the Nazi era, *Carmina Burana*.

The closing chapter offers a sophisticated discussion of the Nazis' love-hate relationship with modern music. Their contempt for modernism is well-known, but Kater points out that the popular perception is over-simplified: "[S]ince the Nazis conceived themselves as political, social, and cultural revolutionaries, they expected changes, not to say revolutions, to take place in the arts in conformity with all other changes they might cause. As Joseph Goebbels specified in a Munich speech in 1936: 'The National Socialist weltanschauung is the most modern thing in the world today, and the National Socialist state is the most modern state. There are thousands of motifs for a modern art in the spirit of this weltanschauung" (p. 177). Fully atonal music could never win Nazi approval, but innovations along slightly more traditional lines had decent to excellent prospects. Richard Strauss was a periodic favorite of the regime; Hindemith failed more on political than musical grounds; Egk's *Peer Gynt* won Hitler and Goebbels' favor in spite of complaints about the libretto. Yet Carl Orff could not compose free of the fear of censorship, nor could a long list of lesser-known artists.

While he introduces little formal economic theory, the theoretically inclined may find Kater's work suggestive on several levels. Opponents of government funding of the arts have often pointed to the intimate connection between art and government in totalitarian societies. Kater's study makes this argument somewhat less convincing, for he shows that government-funded music retained a strong degree of autonomy even in Nazi Germany. (Of course, fans of atonal music and jazz will find their worst fears borne out by the Nazi experience).

Or consider the Nazis' espousal of the ideal of cultural autarky – and rejection of the benefits of free cultural trade. While many Germans could understand the ban on Schoenberg, the official attacks on Mendelssohn and Mahler (both converted Jews) as "un-German" left music-lovers conflicted and distressed. Walling out such "imports" meant cultural poverty, for their inspiration was a vital input to the creativity of all the composers who succeeded them.

Perhaps the most interesting part of the book is the history of the Jüdischer Kulturbund, the Jewish Culture League. The Prussian commissar for Jewish affairs gave official approval to this outlet for strictly Jewish music: composed by Jews, performed by Jews, financed by Jews, and heard only by Jews. Though this ideal was difficult to achieve in practice, the Nazis made tortured efforts to realize it: "The German censors' ideal was totally Jewish music for totally Jewish audiences. But that was difficult to achieve for, like the Nazis, the Jews were discovering that 'Jewish music' was not an artistic genre in and of itself. Hence, derivative definitions were used: libretti written by Jewish authors, a story line from the Old Testament, or the works of any Jewish or baptized-Jewish composers, among whom Menselssohn remained preeminent" (p. 101). The strange consequence was that for a time, not only were Jews deprived of Strauss and Wagner, but non-Jews were stripped of their Mahler and Mendelssohn; each arbitrarily defined culture was embargoed, forcing creative composers into the role of artistic smugglers.

If the Nazis had known modern economic theory, no doubt they would have pointed to the negative externalities of atonality and jazz, and justified their cultural policies as a Pigouvian correction. A careful reading of *The Twisted Muse* suggests that insofar as these cultural externalities existed at all, their harm was small compared to the deadweight losses of cultural protectionism.

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Grantland Rice, *The Transformation of Authorship in America*. Chicago: University of Chicago Press, 1997, xi + 230 pages, ISBN 0-2267-1123-4.

In *The Transformation of Authorship in America*, Grantland Rice offers to revise conventional wisdom regarding how the status of the "author", and literature in general, changed during the period immediately following the Revolutionary War. For Rice, a line of recent historians beginning with Jürgen Habermas have argued that the success of eighteenth-century libertarianism in government and economics created a "civic and emancipatory"[1] effect in the field of literature, not merely