



Exploring Occupational and Career Implications of Human Capital Specificity:  
A Fine Arts Case Study

A thesis submitted in fulfilment of the requirements for the degree of Masters by Research

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December 2015

**Declaration**

I certify that except where due acknowledgement has been made, the work is that of the author alone; the work has not been submitted previously, in whole or in part, to qualify for any other academic award; the content of the thesis is the result of work which has been carried out since the official commencement date of the approved research program; any editorial work, paid or unpaid, carried out by a third party is acknowledged; and, ethics procedures and guidelines have been followed.

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December 2015

**Acknowledgements**

I am grateful to my parents for instilling in me the drive and work ethic needed to complete this thesis. I am especially grateful to Katherine, who inspired me to write this thesis.

The research described herein was conducted under the supervision of Associate Professor Jonathon Boymal (senior) and Dr. Bronwyn Coate of the School of Economics, Finance and Marketing at RMIT University. I'd like to thank Jonathan and Bronwyn for their patience, guidance, encouragement and limited time.

## Abstract

It has been suggested that at the heart of a degree in fine arts is a curriculum that gives students the freedom to experiment, develop their problem-solving skills, creative faculties, and the ability to conceptualize. With this in mind it stands to reason that an individual with a fine arts education should be succeeding in a knowledge-based economy that values creativity for economic growth. However, contemporary data in Australia shows that individuals holding tertiary degrees in fine arts rate the lowest in terms of employment gained relative to other degree holders and have a negative monetary rate of return.

While the aforementioned statistics are important, *ex post* data does not tell the full story. Treating an investment in education as a choice made under uncertainty, particularly in light of the differences between specific and general human capital, provides a more complete picture of the *ex ante* gains from undertaking a fine arts degree. This research maps the professional lifecycle of fine arts graduates living in Melbourne, Australia in order to examine the trade-off between higher productivity and flexibility in the labor market.

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*'Education is the great engine of personal development. It's through education that the daughter of a peasant can become a doctor, that the son of a mineworker can become the head of a mine, that a child of farm workers can become the president of a great nation. It is what we make out of what we have, not what we are given, that separates one person from another.'* Nelson Mandela, *A Long Walk to Freedom* (1995)

## Chapter 1. Introduction

Given the large disparity in pecuniary and employment outcomes between those who complete a higher education qualification and those who opt out of formal education after leaving secondary school (see, for example, Wei, 2010; Norton, 2012), whether or not to enroll in higher education and complete a qualification is an important decision to make. Should one strike out and start building his or her career after leaving secondary school, or forego the lure of immediate earnings in favor of the higher education 'experience' and expected elevated income this decision may bring? To individuals thinking about how to best make their way in life it can be a difficult decision to make. Still, the decision to enroll in higher education is only one in a long series of educational investment decisions (James, 2012). As Daly, Lewis, Corliss & Heaslip (2011) show us, while there are strong monetary incentives to complete a qualification, the field of education or specialization one chooses is also an important determinant of economic success.

Plato is supposed to have remarked that knowledge is food for the soul. That may be true, but a review of the literature on graduate returns tells us that not all fields of education are equally nourishing in terms of fattening one's wallet and protecting against periods of unemployment or underemployment. Understanding why such an imbalance occurs is important when acknowledging the role education plays in determining economic success and in being able to provide advice to individuals who are yet to decide on a course to study in higher education.

The literature on graduate outcomes describes the financial and employment implications of completing a qualification. When contemplating these returns it is important to bear in mind that this literature relies on *ex post* figures in support of its claims on the value of tertiary study. While governments, organizations, and individuals tend to gauge their conditions and shape their reality based on their understanding of what these indicators tell them, we must also recognize their limitations: *ex post* indicators are snapshots designed to capture the present circumstances of people and as such should not serve as absolute markers indicative of future successes and failures. *Ex post* statistics are important, but they are limited in what they measure and susceptible to the 'illusion' of precision and simplicity (Karabell, 2014).

Modeling expected educational returns based on *ex post* indicators and assumptions of perfect foresight can be misleading because it fails to consider either of the two most basic axioms of life as described by Kates (2014). These two axioms are: 1) Nobody knows the future; and 2) Everything is always in the process of change.

'All economic decisions aside from the most trivial are about the future,' wrote Kates (2014, p.33). 'Economic decisions are built around individuals in the present trying to work out what the future will be like. And because the future is always different from how it was imagined, economic decisions often turn out to have been mistaken.'

Life is hardly predictable, few certainties exist, and actual outcomes can be significantly different from expected one. This research redresses this oversight for the field of fine arts by treating the educational investment decision as one made under uncertainty.

Further, while the field of education one chooses has a potentially large effect on the extrinsic value of a qualification, it perhaps matters less than is sometimes suggested if we take a long-term focus and explore the differing levels of general



(flexible) and specific (inflexible) human capital accumulated by fine arts graduates. This enables us to then consider the extent to which fine arts graduates contribute these two different types of human capital to occupations and industries beyond their immediate creative practice. By means of such an analysis this thesis assesses not only the current station fine arts graduates occupy but also allows for the consideration of the potential 'use value' of a fine arts education in an uncertain future.

### 1.1 Portfolio Careers

Anecdotal evidence suggests that most artistic skills are applicable to employment beyond of the arts (Throsby & Zednik, 2010). Indeed, one of the most useful findings in Throsby & Zednik (2010) is that artists in Australia are likely to adopt what they refer to as a 'portfolio career.' This means that in an effort to mitigate their income risk, artists supplement their income, often from non-arts related sources. In Throsby & Zednik (2010) between one-third and a half of the artists included in their research who identify the arts as their main occupation earned most of their income from a mix of arts-related or non-arts work. These occupations can be either short-term contracts or on a more long-term basis, either directly within the artist's immediate creative practice or elsewhere. The principal areas where artists have applied their artistic skills are in government, social and personal services, with large concentrations also employed in the charity, community, non-profit, health and welfare fields.

Further, research in the U.S. by Alper & Wassall (2006) found that due to their relatively high levels of education, artists are able to make the transition from arts jobs to those in professional and managerial occupations and not service jobs (retail, hospitality etc.) as per the perception of the artistic 'mythology.'

The results described in Alper & Wassall (2006) and Throsby & Zednik (2010) suggest three things: 1) Specialized education in the creative arts equips an individual with the skills necessary to work in a range of occupations and sectors; 2) The piecemeal acceptance by artists that it is tolerable and often necessary to earn income outside of what is normally seen as an arts or arts-related job; and 3) There is value for the artists and community alike when artists apply themselves to earning an income outside of the arts sector.

### 1.2 Statement of the Problem

Those who have studied learning processes throughout the ages have emphasized the importance of the creative arts in education, believing this field of education to be integral in the development of each human being. Among other qualities, it's been suggested that at the heart of a fine arts education is a curriculum that helps develop one's cognitive abilities as well as general skills for life and socialization, including communicational and inter-personal skills, self-esteem, motivation, aesthetic awareness, cultural awareness, the capacity to conceptualize and solve complex problems, as well as those that help build social adaptability, harmony, and an appreciation of diversity (Winner, Goldstein & Vincent-Lancrin, 2013; Branagan, 2011).

Despite the recognizable value of a fine arts education, coupled with a labor market that increasingly values creativity in its pursuit of economic development, a conclusion drawn from the Australian literature is that low wages and constrained employment are a few of the challenges that fine arts students face after graduation (Steiner & Schneider, 2013). Daly et al. (2011, p.18) found that from a purely financial standpoint it makes little sense to invest in a fine arts education, and wrote that, 'Typically, it is a very good investment decision to complete a Bachelor degree with the obvious exception of visual and performing arts.'

Even though fine arts graduates experience disappointing *ex post* returns relative to others with a tertiary qualification, these courses remain an unusually attractive option in higher education in Australia. According to the Department of

Education and Training, compared to 2012 there was a 5.2 per cent increase in the number of commencing fine arts students in 2013 in Australia. Evidently the 25,763 individuals who applied to a creative arts program that year wished to become an artist (or at least study fine arts) despite the bleak future economic picture (Department of Education and Training, 2014).

From an economic perspective the attraction to a fine arts education makes little sense, at least on a superficial level. From the perspective of an economist, someone's decision to study fine arts is a 'confusing state of affairs' (Abbing, 2002) that begs a number of related questions, not least of which is the one that supports this thesis: If the returns to a fine arts education are so mediocre, why would someone choose to study fine art in the first place?

### 1.3 Objective and Focus of the Study

Many people would like to romantically say that of their intimate relationships 'love does it all,' but in most such relationships money is an agent that if not given proper attention can damage the love that once existed. The relationship between an artist and their creative practice is no different. Talent is rarely the most important quality when it comes to making a career in the arts. Poverty can be a distraction that removes an artist's discipline, focus, and energy, taking them away from doing the thing they most love doing.

Unlike the more vocationally oriented courses in higher education, such as accounting, engineering or medicine, there is no clear-cut pathway to employment for fine arts students. The primary objective of this research is to provide a risk-adjusted *ex ante* return analysis of a fine arts education that can be useful as career advice for current and former fine arts students, but most of all, for potential fine arts students unsure about choosing this field of education.

As an investment, the returns to education can be considered from both an *ex post* as well as an *ex ante* position. *Ex post* means 'after the event.' *Ex post* is a retrospective way of looking and another way of saying the actual returns one experiences from an investment. *Ex ante* means 'before the event.' It is a prospective way of looking and another way of saying the returns one may expect to receive from an investment. For instance, an individual must consider the available evidence on the costs and benefits of enrolling in higher education before deciding whether to continue to the next level. An *ex ante* evaluation is not a snapshot of a particular moment in time, but should be seen as part of an ongoing process that draws on the experience and condition of fine arts graduates to both monitor and evaluate the current fine arts curriculum.

A risk-adjusted return is a risk-based profitability measurement that refines an investment's return given the level of risk involved in producing that return. The data collected in this thesis is not been modified to present a risk-adjusted analysis; rather, this feature is addressed from a conceptual perspective in terms of how *ex ante* returns need to be adjusted for a variety of risks which will have a bearing on the resulting *ex ante* impacts. By addressing the risk-adjusted return from a conceptual perspective, one who is deciding on which course to choose in higher education can judge whether he or she will be extracting the highest possible gains while taking into account the level of risk involved, thereby maximizing the returns on the investment.

To accomplish this task the research takes a retrospective approach to map the professional lifecycle of fine arts graduates living in and around Melbourne, Australia. The study is based on a cohort of individuals who have graduated with a Bachelor's degree or higher in fine arts since the 1960's. The primary data is derived from the researcher's own 'field work,' that is to say, the online survey instrument (see Chapter 3). The online survey gathered quantitative and qualitative data concurrently, and includes closed and open-ended observations to enable the investigation of a number of inter-related themes. These themes include the motives behind someone's decision to study fine arts, *ex post* outcomes such as the graduates' current annual income and employment status, and any obstacles in the way of our sample's

artistic practice after graduation. Of particular interest are the observations that capture the *ex ante* outlook of the sample before beginning their course as well as those pertaining to the 'nature' of the human capital these graduates accumulated during their course and its 'use value' in employment and living conditions.

The survey had a total of 270 usable respondents. Overall, the response rate was an appreciable success considering access to different university alumni databases was prohibited due to privacy concerns. This meant that each of the respondents was sourced for the study individually via the researcher's own network connections and in some instances by 'chain' sampling to identify further potential participants in the research.

The majority of the sample is female (65 per cent), and born in Australia (82 per cent), both of which correspond to earlier results found in Throsby & Zednik (2010) (63 per cent and 78 per cent respectively). Throsby & Zednik's (2010) study provides comprehensive information about the economic circumstances of practicing professional artists in Australia and as such made for a useful benchmark to compare and contrast with the findings in this thesis.

The ages of the respondents within the sample range from 21 to 67 years old. The mean age is 38, which is close to the median of 37. While the majority graduated from institutions in Australia, in particular RMIT University and the Victorian College of the Arts (VCA), graduates representing institutions from across Australia and from as far afield as Romania, the United States and the United Kingdom are also represented.

In addition to the online survey, one case study was conducted with a graduate whom the researcher felt encapsulated the essence of what the thesis is attempting to do, namely, explore whether fine arts graduates accumulate enough general usage (flexible) human capital necessary to work and thrive in a number of different industries and occupations that are not necessarily related to their fine arts practice.

#### **1.4 Research Questions**

In order to formulate the research questions a review of the literature was conducted, from which three questions emerged relating to the issue surrounding one's decision to enroll in a fine arts course and the professional 'use value' of the human capital accumulated during this type of education. Specifically stated, the research questions are: 1) Do fine arts graduates make an informed *ex ante* decision prior to entering their course? 2) Do fine arts graduates accumulate more general than specific human capital? and 3) Does the accumulation of general human capital allow fine arts graduates to work in a number of different occupations and sectors?

#### **1.5 Conceptual Framework**

A conceptual framework was constructed to organize and inform the research questions and methodology. A conceptual framework is an analytical tool that amalgamates concepts, assumptions, and expectations from various theories in order to explain the presumed relationships among the main things to be studied (Miles & Huberman, 1994; Imenda, 2014). According to Maxwell (2005) the conceptual framework has two purposes. The first is to show how the research fits into what is already known in relation to the existing theory and research. The second is to demonstrate how the research makes a contribution on the topic to the field of scholarship.

The conceptual framework constructed for this study is divided into three dominant inputs: 1) The use of Human Capital Theory and the rationale behind this choice; 2) Accounting for uncertainty in the educational investment decision; and 3) The 'nature' of human capital and the advantage of accumulating general usage human capital under uncertainty in the educational investment.

### 1.5.1 Human Capital Theory and the Rise of the Knowledge-Based Economy

Many economists see human capital – a limitless, natural resource that cannot be taken away like other forms of capital – as the generator powering long-term economic development in the modernizing economy (Schultz, 1983; Acemoglu & Pischke, 1999). Marshall (1920, p.564) has quoted that, 'The most valuable of all capital is that invested in human beings.' Indeed, this thesis is predicated on the belief that the accumulation of elevated levels of human capital is crucial if one is to thrive in today's knowledge-based economy.

An increased investment in workers' skills brings benefits to individuals in the form of better employment opportunities and higher wages. The general public also benefits from increased levels of human capital in the form of more tax revenue, better health, more informed political participation, and lower social transfers paid to individuals (Piketty, 2014).

Whether one's educational qualification is a reliable 'signal' to potential employers broadcasting his or her abilities, the conceptual framework is built on Human Capital Theory based on the assumption that inherently linked in the educational procession is the accumulation of higher-level skills that may prove valuable in a future professional context. Further to the point, Human Capital Theory allows the research to elevate the importance attached to the *ex ante* decision making process that drives an individual's choice of study in the first place.

### 1.5.2 The Folly of Prediction

The literature on educational outcomes seeks to imbue decision makers with tools for assessing potential educational investments. It makes intuitive sense to base an *ex ante* return analysis on *ex post* indicators, such as those found in the literature on graduate career outcomes. A lot of *ex ante* analyses are, of course, based on a simple historical extrapolation of *ex post* data. If, for example, five students out of a hundred fail their chemistry class in the first year of university, then the projected risk of this outcome is 5 per cent; or if the average dentistry graduate earns \$80,000 a year in the initial period after graduation, a dental student just beginning his or her course may expect similar remuneration. But basic predictive modeling of this nature presents the possibility of considerable differences between *ex ante* and *ex post* returns because of future uncertainty. Uncertainty is an integral part of the conceptual framework of this study; it acts like glue that seeps into every fissure and holds it together.

In his seminal work from 1921, *Risk, Uncertainty, and Profit*, Chicago economist Frank Knight summed up the existence of uncertainty in our lives when he wrote that:

'It is a world of change in which we live, and a world of uncertainty. We live only by knowing something about the future; while the problems of life, or of conduct at least, arise from the fact that we know so little. This is as true of business as of other spheres of activity. The essence of the situation is action according to opinion, of greater or less foundation and value, neither entire ignorance nor complete and perfect information, but partial knowledge' (Knight, 1921:III.VII.5).

An educational investment is a long-term commitment that is susceptible to all manner of unexpected turbulence along the road to graduation and beyond. Further, as the knowledge-based economy continues to accelerate to the point where change 'outpaces our capacity to amass the kind of evidence base needed to make informed decisions' (Wyn, 2009, p.2), modeling the decision to invest in education based on the assumption of perfect foresight about the future value of a qualification is not dependable.

### 1.5.3 Investing in Human Capital under Uncertainty

The building blocks of our *ex ante* return analysis are Human Capital Theory and uncertainty in the educational investment decision. This framework depends on linking these two features with the assumption that human capital gains accumulate in their own particular 'nature,' measured in two-dimensions, and based on the transferability of the acquired skills. The theoretical split between specific human capital and general usage human capital is a leading concept in labor economics.

The specificity of human capital ranges from purely specific to purely generic (Castanias & Helfat, 2001). At one extreme of this continuum, individuals develop any number of specialized skills that have a higher value within the context of a given occupation, company or industry than in other potential professional relationships.

General human capital, on the other hand, is easier to redeploy across different occupations and sectors, and as such is highly valued by most potential employers. General human capital encompasses attributes that combine personal, interpersonal and organizational skills. These skills are typically associated with the related emotional quotient that translates into the ability of a worker to communicate and work as part of a team, maintain a willingness to learn, and recognize the capabilities of technical skills that facilitate organizational and commercial opportunities (Coll & Zegwaard, 2006; Coates & Edwards, 2009).

Specific human capital is more productive than general human capital, but investing in specialized skills is inherently risky because of the assumption that these skills are tied to a particular firm, occupation or sector and are abandoned if they are no longer useful, if the firm or industry is no longer profitable, or if an individual leaves that particular firm, occupation or industry. Indeed, Castanias & Helfat (2001) and Harris & Helfat (1997) found that specific human capital loses much of its value when employees move between firms because of its lack of transferability. Further, Gathman & Schonberg (2010) found empirical evidence suggesting that when individuals with higher levels of specific human capital move between occupations, they are more likely to move into similar occupations, a discovery that suggests the accumulation of increased levels of specific human capital restrains worker mobility.

#### **1.5.4 Importance of Flexibility in Today's Labor Market**

There is uncertainty about what future employment will look like and where these jobs will be located. Policy makers and business do not know what these future jobs will entail, let alone school leavers. In the face of this uncertainty and shifting workplace dynamics it is critical that individuals have the kinds of knowledge and skills that are adaptable, resilient, resourceful, and able to creatively respond to challenges and seize new opportunities.

Accumulating higher levels of general usage rather than specific human capital during one's education is preferable when the educational investment decision is treated under uncertainty. This premise is based on findings presented in Gervais, Livshits & Meh (2007) describing the trade-off between higher productivity and flexibility in reallocating human capital *ex post*. Economies that rely more heavily on specific human capital are more productive than those populated by workers with higher levels of general human capital, but they are also more vulnerable because of the possibility of encountering future economic turbulence and the inherent difficulty in reallocating such capital. Hence, the determining factor for the choice of human capital is the extent of uncertainty workers face when making human capital investment decisions.

Accumulating higher levels of general usage human capital will facilitate a higher chance of transferring those skills to other occupational contexts and therefore mitigates, to a certain extent, the uncertainty involved in the educational investment decision.

#### **1.6 The Relevance of Returns to Artistic Practice**

In our attempt to gain a more comprehensive understanding of the potential 'use value' of a fine arts education two fields of scholarship, economics and fine arts, are joined. To some, the worlds of art and economics are diametrically opposed and as a further complication within each of these so-called worlds, a number of complementary and competing views or school of thought exist. For example, Court (2015) contends that, 'The view that art is essentially unworldly and creativity is play has a long history, dating back to the Romantics. According to this view, art must be kept separate from money, lest it be corrupted'. On the other hand, Van den Bosch (2005) has shown how the relationship between artists and society is shaped and influenced by commerce, institutional gatekeepers, and global market forces.

Abbing (2002, p.38) summed up his feelings about the mixing of the art and economics in the following passage: '*I feel bad when I see my dealer selling my drawings to people who primarily want them to impress other people. To be honest, as an artist I even find it hard to swallow that works of art are traded, sometimes for large sums of money. And ultimately I am uneasy with the fact that art is measured in monetary terms.*'

In the U.S., Alper & Wassall (2006) found that few artists are able to succeed to the point that allows them to develop a sustainable career in the arts. In Australia, Throsby & Zednik (2010) corroborate this by describing a disappointing economic picture for artists. They report that relative to most other occupations artists' incomes have stagnated in recent years, indicating that they have not shared in the real earnings growth that most other occupations have enjoyed; more than half of those surveyed who live with a partner are dependent on that person's income. To provide context, artists' average incomes in Australia are typically lower than those of all occupational groups, including non-professional and blue-collar occupations.

Regardless of whether or not artists feel 'connected' with the economic world around them, the connection is unavoidable. As we go through life weighing benefit and cost, making decisions to match means to ends while planning for an uncertain future, we are already behaving within an economic framework, and 'Having an understanding of economic matters is among the most useful areas of knowledge one can have' (Kates, 2014, p.5).

The pursuit of money does not negate one's devotion to art. Heazlewood (2014, p.89) wrote that, 'It's not enough for Australian artists to be wily about getting by on a shoestring; if they are to sustain their practice decades into the future, a sound sense of economics is compulsory . . . There is one artist for every eight bankers in Australia. We live in a capitalist, neoliberal world, and the sooner artists learn to co-inhabit the better.'

Alfred Marshall ([1920] 1946 p.1) began his book, *Principles of Economics*, by writing that economics is simply, 'the study of mankind in the ordinary business of life.' Indeed, many other economists set out to accomplish the same mission of trying to understand what people do and the implications of their behavior for society. Looked at in this light, economics does not need to be intimidating or boring to someone not already predisposed to its rhetoric; rather, it should be seen as incredibly relevant in order to function in society.

## **1.7 Overview of the Thesis**

This thesis is organized into 6 chapters. Chapter 1 has given the reader an overview of the background of the study, statement of the problem, the conjecture, intent and focus of the thesis, the research questions, the importance of accounting for uncertainty in our study, and our explanation for the importance to attempt to blend the artistic and economic fields of scholarship.

In Chapter 2, a comprehensive review of the literature establishes the significance of the research territory through relevant antecedent work with the aim of establishing a research 'gap.' The literature reflects the diversity of issues involved in the research looking at educational returns. Briefly speaking, it provides an overview of the role that education

plays in the knowledge-based economy; the elevated returns higher education graduates experience; the variance in returns across field of education; why an individual may choose to enroll in a fine arts program; Human Capital Theory; Florida's 'Creative Class;' and the importance of performing a retrospective study.

Taken together, the review of the literature justifies the need for further investigation into one's decision to enroll in a fine arts course in higher education and the occupational and employment outcomes of this decision based on principles of modeling the educational investment decision under uncertainty.

In Chapter 3 the underlying principles and rules of the research's organization are described as embodied in the methodology. Topics include ethical considerations involved in the research and how the primary data collection was approached. Chapter 3 also describes the data collection and analysis procedures and justifies the choices made in terms of the research design, setting and participant selection.

The quantitative results from the online survey are presented in Chapter 4. After describing broad demographic features of the sample this chapter moves on to describe themes such as educational qualification (including prior and post qualifications), employment status and occupational sectors, as well as total income earned and income earned from creative practice. Also included in the chapter is a description of the data exploring the *ex ante* outlook of the sample in terms of the likelihood of completing their course, the expectations of artistic income and practice, as well as the 'nature' of their human capital accumulation.

In Chapter 5 the qualitative results are described. The chapter begins with the single case study to highlight how the general usage human capital accumulated during a fine arts course is applicable to a broad range of occupations and sectors outside of the arts. The chapter concludes with a description of the qualitative results from the two open-ended survey observations asking the sample how their fine arts course has and is currently informing their occupation. A range of both positive and negative data was collected, considered and presented in Chapter 5. Whilst not every respondent was able to apply their fine arts education to their occupations outside of the arts, a number of consistent themes are presented for further extrapolation and consideration.

Finally, Chapter 6 concludes the thesis with an overview of the major themes that emerged from the data and a discussion about their significance. Included in this chapter is a discussion endorsing both artists to sectors outside the arts, and that these sectors be more open to recruitment of those trained artists. It is argued that sectors outside of the arts have much to gain in finding common ground and acceptance in recognition of the usefulness of the human capital gains accumulated by artists, like those found in the sample, and that this has application to a variety of occupational sectors.

## **1.8 Conclusion**

As this thesis proceeds, it is important to bear in mind that economics is a social science that in taking a positive scientific approach seeks to quantify and measure concepts in order to understand what drives behavior and decision making in a world characterized by constraint. Scholars concerned with the valuation of art and culture are aware that they often need to 'look beyond price' and accept, for example, that price does not necessarily reflect cultural value. In a similar manner, without ignoring the significance of what quantifiable values can tell us, we need to also be aware of their limitations and recognize that what such numbers do not tell us is also important and influences individuals in their decision making, including their decision to invest in a fine arts education.

## Chapter 2. Literature Review

The literature on the returns to education covers a wide variety of topics and extends into many different fields of scholarship. Broadly speaking, this study focuses on understanding why people choose to study fine arts in higher education, the 'nature' (general and specific) of the human capital one accumulates during their fine arts course, and the occupational implications that follow (and may follow) the completion of this qualification in an uncertain future. A selection of literature that includes peer-reviewed studies, articles and books have come together to provide the documentation needed to build a strong basis of rationale for the conceptual framework and methodology to present a risk-adjusted *ex ante* return analysis for a fine arts education.

The review begins by explaining that the majority (75 per cent) of people who choose to enroll in higher education in Australia today do so because of employment considerations. This is because as Australia becomes more entrenched in a knowledge-based economy a tertiary qualification is seen as fundamental in order to secure employment.

Next, the *ex post* financial and employment returns involved in completing a higher education qualification are illustrated in broad terms. There are strong monetary incentives for an individual to complete a higher education qualification; however, the review acknowledges that overall averages can hide large discrepancies. Thus, the review considers the variance in returns between the fields of education before specifically focusing on the *ex post* implications of completing a fine arts qualification.

With discouraging *ex post* returns involved in completing a fine arts qualification, the review considers three different motivating factors that may contribute to one's decision to enroll in a fine arts program. These include: 1) The arts have a high status; 2) Artists are motivated by non-monetary rewards and anticipate an enjoyable working life as evidenced by the artistic work-preference model; and 3) Artists are more likely to be intrinsically motivated to pursue their creative practice than other professionals. Each of these three notions is addressed in turn and explored as alternate versions to aid our understanding of why graduates choose to study a fine arts course in higher education.

Every investment, including the one to invest in education, is made under uncertainty. The review incorporates a section considering the importance of accounting for uncertainty when modeling the educational investment decision. This is coupled with an explanation as to why the *ex post* indicators describing the higher education graduate outcomes are an imperfect measurements of future graduate success and failure.

The following section gives an overview of Human Capital Theory. Human Capital Theory attempts to explain that the earnings advantages and favorable labor market conditions that higher education graduates typically experience are the result of augmented skills and capabilities that contribute to higher labor market productivity.

The penultimate section describes the importance of the 'Creative Class' in economic development today. Included in this discussion is an overview about how a fine arts education is thought to foster the capabilities needed for employment in a knowledge-based economy that increasingly values creativity for economic development. Finally, the chapter ends by describing the rationale behind the decision to perform a retrospective study on graduate career outcomes.

### 2.1 The Role of Higher Education in the Knowledge Economy



Although consumptive reasons help explain why some people enroll in higher education when it comes to their choice in relation to the field of study, for most students today the main reason for enrolling in higher education is employment considerations. Citing a study performed by the Australian Bureau of Statistics (ABS) in 2009 asking people who had completed a bachelor's degree in the past year about their main reason for studying, Norton (2014) found that about three-quarters of respondents gave a job-related consideration as the main reason for study.

The industries that built the Australian economy have been reduced to a remnant of their former selves, and the knowledge-based economy has become further entrenched in Australia reflecting a trend across the developed world. It is likely that future jobs in the developed world will require higher levels of skills, as low-skilled jobs are lost in the restructuring process (Australian Workforce and Productivity Agency, 2012). As a result, a higher education qualification can be viewed as a strategy for securing stable and more fulfilling employment.

The knowledge economy's demand for workers with well-furnished minds testifies to the growing awareness of the important role that universities play in preparing individuals who are able to respond to the ever-changing and complex needs of the modern workplace (Andrews & Higson, 2008; Group of Eight, 2014).

Through mapping the professional lifecycle of fine arts graduates living in and around Melbourne, this research aims to provide a better understanding of just how valuable the skills these graduates have accumulated during their courses are to the nation's economic fabric. Guetzkow (2002) highlighted several examples in the literature of how the arts are thought to contribute not only to personal but also to community prosperity. Examples of these include the notion that an arts-integrated school curricula supposedly improves academic performance and discipline (Fiske 1999; Remer, 1990); the arts rejuvenates downtrodden neighborhoods by promoting economic prosperity (Costello, 1998; SCDCAC, 2001; Stanziola, 1999; Walesh, 2001); participation in the arts is thought to improve physical and psychological well-being (Baklien, 2000; Ball & Keating, 2002; Bygren, Konlaan & Johansson, 1996; Turner & Senior, 2000); and the arts act as a catalyst in the formation of social capital and attainment of community goals (Goss, 2000; Matarasso, 1997; Williams, 1995).

## **2.2 The *ex post* Returns to Completing a Higher Education Qualification**

Estimating the returns to education has had a long history in labor economics and the economics of education. The financial benefits of higher education receive such attention because they are not only important to some students but also to governments in that they represent a source of future tax revenue and the ability of graduates to repay student loans and other forms of debt after graduation. Shelves of books and terabytes of data have been devoted to tracking, observing and reporting the income and employment outcomes of those with a higher education qualification. Heckman, Lochner & Todd (2005, p.311) found that, 'Almost daily, new estimates of 'rates of return' to schooling are reported, based on numerous instrumental variables and ordinary least squares estimates.'

From an individual's perspective, completing a higher education qualification is a very good investment decision (Daly et al., 2011). The *Graduate Skills and National Productivity* report published by the Group of Eight used census data to graph earnings by age for full-time workers with no tertiary education, vocational training, and a Bachelor's degree. The report found that, 'At almost every point along the profile, graduate wages exceed school leavers wages by 75 per cent or more' (Group of Eight, 2014, p.4), with vocational training tracking somewhere in between the two.

While the graduate premium (the wage difference between those with and those without qualifications) is the most straightforward and intuitive way of presenting the returns to an investment in higher education it is not necessarily the best measure. As an example of this, Norton (2012), found that women in Australia with a bachelor's degree earn roughly A\$800,000 more in the course of their lifetime compared to women who did not further study after leaving secondary

school; men earned an additional A\$1.1 million. However, calculating the private, or internal rate of return (a method that takes into account both the costs of education as well as the benefits), is a more informative approach and is the preferred methodology of Daly et al. (2011). This latter approach offers a more comprehensive picture of the *ex post* financial benefits because it accounts for a variety of direct costs including those associated with tuition, as well as the indirect costs of entering higher education such as the time one spends outside of the workforce.

Numerous Australian examples exist detailing the financial returns on an investment in education. Daly et al., (2011) highlighted some of those examples that include Miller (1982); Maglen (1994); Daly & Jin (1997); Chapman & Salvage (1997); Borland, Dawkins, Johnson & Williams (2000); Borland (2001); Larkins (2001); Daly, Fleming & Lewis (2004); Lewis, Daly & Fleming (2004); Leigh & Ryan, (2005); Leigh (2008); Daly & Lewis (2010); and Wei (2010). All of the aforementioned examples found a positive monetary incentive to invest in education.

Table 2.1 Private rates of return to a bachelor's degree for persons in Australia: 1981-2006 (%)

	1981	1986	1991	1996	2001	2006
<b>Male</b>						
Ex-ante	13.1	17.5	17.6	18.4	19.6	15.3
Ex-post (a)	17.4	19.9	19.7			
<b>Female</b>						
Ex-ante	18.0	20.3	18.7	19.3	19.0	17.3
Ex-post (a)	20.0	20.1	20.5			

Notes: (a) these estimates are for 18 year old group based on combined income flows of 47 years lifetime span, which consists of 15 years observed and 32 years expected income flows. As the time period between 1996 and 2006 is less than 15 years, no ex-post returns are estimated for 1996 onwards.

Source: Wei (2010)

Besides increased levels of remuneration, a higher education qualification also has a significant bearing on employment outcomes. Possessing a qualification is nearly universally associated with a substantial advantage in the labor market (ABS, 2004; Wyn, 2009; Wei, 2010; ABS, 2012). Indeed, in Australia, '... nearly nine out of ten people of working age with a post-school qualification (86.2 per cent) are in the labor force, compared to 68.9 per cent of those without one' (Australian Workforce and Productivity Agency, 2012, p.11). Conversely, the ABS (2012) recorded that of people who had been unemployed for a year or more, the highest proportion was among those whose highest non-school qualification was a Certificate I/II (26%) while the lowest was among those with a bachelor degree or higher (13%).

Le & Miller (2005) offered a few reasons why people without a higher education qualification tend to be worse off in the labor market relative to someone with such a qualification. For example, fluctuations in the economic business cycle often affect lower skilled workers because higher skilled workers can replace unskilled workers, but the reverse is not true. Other reasons include the notion that organizations tend to keep skilled workers because they are more expensive to replace. Also, workers with lower skills are less mobile and are more likely to rely on local employment opportunities. Overall, a quarter of discouraged job seekers who were not actively looking for work reported that they, 'Lacked the necessary schooling, training, skills or experience' as the main reason for why they were not actively looking for work' (Australian Workforce Productivity Agency, 2012, p.11).

### 2.3 The Impact that the Field of Education has on the *Ex post* Returns

As is the case with all averages, the overall financial and occupational advantages of completing a higher education qualification hide large variations between the different fields. For example, the rate of return for mining engineers is completely different to the rate of return for nurses in a public hospital or primary school teachers. Norton (2012) elaborated on this point by highlighting that variation exists not only across the disciplines but also within each field of education itself, noting that the corporate lawyers earn a significantly larger income than, say, family lawyers. Because an

individual's subject choice at university is an important factor in determining their earnings, a more accurate picture of the financial returns to education illustrates the variance across the different fields (Kelly, O'Connell & Smyth, 2010).

Looking at the variance in financial outcomes in Australia, Daly et al. (2011) took cross-sectional data from the Census to focus on median earnings to present estimates for various fields in higher education. The results suggest that while an overall positive relationship exists between educational attainment and earnings (comparing favorably with the long-term real bond rate of between 2 and 3 per cent), not all students receive considerable benefits from obtaining a qualification. 'The highest rates of return for men were in Dentistry, Nursing, Commerce, Law, Economics and Information Technology. For women the highest rates of return were in Dentistry, Medicine, Commerce, Law, Economics, and Information Technology' (Daly et al., 2011, p.17).

Of the qualifications identified by Daly et al. (2011), the only one to show a negative internal rate of return and a negative net present value for both male and female was visual and performing arts. They argued that investing in this field was not a good financial investment, and stated that, 'Typically, it is a very good investment decision to complete a Bachelor degree with the obvious exception of visual and performing arts' (Daly et al., 2011, p.18).

Grad Stats (2013) revealed that the median starting salary for Art and Design graduates, aged below 25, in their first year is A\$40,000. This figure puts these graduates above only pre-registered pharmacy graduates in terms of earnings.

Beyond Graduation (2013) found that three years down the road Creative Arts graduates (both male and female) were the lowest earners among tertiary graduates. The authors of Beyond Graduation (2013, p.15) found that, 'Creative arts graduates consistently earned the lowest median salary out of any field of education.'

In 2007-08, the median total income of an artist was estimated by Throsby and Zednik to be around \$35,900 and the median creative income was \$7,000. In comparison, employees in other occupations earned higher median incomes of \$43,300 for all employees, \$61,700 for professionals and \$77,500 for managers.

Artists have not shared in the rising trend in real incomes that has been experienced across the workforce at large. Throsby and Zednik report that creative income for artists remained stable from 2000-01 to 2007-08, whereas general workforce incomes showed an increase of around 16 percent on 2000-01 in real terms.

In terms of the variance in employment implications, *Grad Stats* (2013) offered a summary of data concerning the employment destinations of graduates from a range of fields in the initial years after completing their course. The report found that graduates from the fields of medicine (96.9 per cent), pharmacy (97.6 per cent) mining engineering (96 per cent), surveying (86.5 per cent), electrical engineering (86 per cent) and civil engineering (85.4 per cent) all experienced positive employment outcomes in the initial period after graduation. Respondents from life sciences, social sciences, languages, psychology, humanities, architecture physical sciences, and chemistry were most likely to be looking for employment during the same period.

In each indicator, *Grad Stats* (2013) found that fine arts graduates rated at the very bottom. Not only did fine arts graduates experience the lowest percentage of graduates in full-time employment (48.3 per cent), but they also had the highest percentage of respondents seeking full-time employment while not working (19.3 per cent), the highest percentage of those seeking full-time work while working casually (32.5 per cent) and the overall highest total of those seeking full-time work (51.7 per cent) (Beyond Graduation, 2013).

Despite the disappointing *ex post* financial and employment implications of completing a fine arts qualification, enrolment for fine arts courses in higher education remains strong. As mentioned in Chapter 1, compared to 2012 there was a 5.2

per cent increase in the number of commencing fine arts students in 2013 in Australia (Department of Education and Training, 2014).

It should be noted that the Department of Education and Training recorded increases in the number of number of commencing students across most broad fields of education in 2013 compared to the same period in 2012: Mixed Field Programs (up 14.0 per cent); Engineering and Related Technologies (up 10.5 per cent); Information Technology (up 8.3 per cent); Health (up 7.6 per cent); Management and Commerce (up 5.7 per cent); Society and Culture (up 4.7 per cent); Natural and Physical Sciences (up 4.3 per cent); Agriculture, Environmental and Related Studies (up 2.6 per cent); Education (up 2.5 per cent); Architecture and Building (up 1.3 per cent); and Non-award courses<sup>2</sup> (up 0.6 per cent).

Nevertheless, in light of robust fine arts enrolment figures, it appears that the *ex post* indicators count for little when it comes to understanding the appeal of a fine arts education. This is at odds with the finding in the previous section that most people enroll in higher education because of employment considerations.

## 2.4 The Fine Arts Choice

This section describes some of the reasons one would choose to enroll in a fine arts course. Fundamental assumptions in economics support the notion that incentives drive behavior that then determine decision making that ultimately drives economic activity and outcomes. Frey (2012) used the term *Homo economicus* to describe the idea that individuals act rationally and out of self-interest in order to maximize their own utility and meet their subjective ends. The notion of the rational maximizer has been applied to a large number of issues and problems (health care, education, the natural environment, politics etc.) and has been successful in providing clear, empirically testable predictions about how people will react to price change (Becker, 1976; Stigler, 1984; Hirshleifer, 1985; Lazear, 2000). However, one of the major points of criticism, as argued by Frey (2012), is that this theory is too simplistic to fully account for human behavior outside of the area dominated by prices and cannot account for complex motivations such as the one to create art.

The reasons behind someone's decision to enroll in any field of education are not straightforward. The following sub-sections each explore a few of the most prominent reasons discussed in the literature that motivate someone to enroll in a fine arts course in higher education.

### 2.4.1 Art's High Status and the Formation of Cultural Capital

Art is thought to be not just pleasurable but noble. Pinker (1997) remarked that in some social circles revealing that you have never heard of certain distinguished writers or that you prefer 'pop' music to George Gershwin can be as shocking as blowing your nose of your sleeve. The blending in people's minds of art is associated with an elevated sense of social status and virtue, Pinker (1997) argued, and is in line with Bell's (1947) principle of 'sartorial morality' in that people find respectability in the signs of a futile existence removed from all menial necessities.

Abbing (2002) believes that art's high status is the principal motivation behind someone's attraction to pursuing these courses in higher education, likening the pursuit of fine arts to that of the clergy. Few spiritual concepts have fascinated and confused people more than understanding God's calling for their lives; the same might be said about one's pursuit of a career in the arts. In fact, Abbing (2002) found that compared to professions with a similar level of training only the clergy receives less money from the market, although to counter this they receive more through gifts.

In light of art's supposed high status, the basic human impulse behind Bourdieu's (1986) concept of cultural capital may help explain why people wish to choose fine arts courses in higher education. In his theory, Bourdieu extended capital beyond the realm of the economy and into culture, where he refers to the collection of symbolic elements one

accumulates during their life including skills and attributes associated with tastes, clothing, mannerisms, material belonging and credentials to name a few. These allow one to gain access to and acceptance in a particular social class based on a collective identity. In short, people like to be around other people with whom they can relate and talk to. Bourdieu's concept helps explain how we may establish our identities and offers an explanation as to why particular people may be attracted to choosing a course in fine arts in higher education when we account for art's high status.

Further to Bourdieu's theory, Di Maggio & Mukhtar (2004) note that in any specific group there will be parochial forms of knowledge that are seen as prestigious, but such forms of knowledge are usually only relevant within narrow circles, for example medicine or computer science. In contrast, they argue, the arts are central to Bourdieu's notion of cultural capital because the arts (in particular the high arts) have been institutionalized by states and institutions of higher learning and offer a broadly observable form of prestigious culture (hanging on museum walls, decorating offices etc.) and as such are a useful indicator of cultural capital.

From art's perceived elevated status comes one of the main reasons why fine arts courses are an attractive field of education despite the depressed *ex post* outcomes. Abbing (2002) argued, though, that if fine arts courses are to remain an attractive choice in higher education it is of the utmost importance that this elevated status be protected. Abbing urges those who pursue fine arts, to some extent, to share in a general distaste towards an outward interest in monetary gain through this 'sacred medium.' This is part of the general dichotomy in the world of art that sees both a rejection and acceptance of the economy at the same time. Most artists would not admit to making art because of the monetary gain (Frey, 2012); instead, they must serve art and not Mammon in order to protect its high status and its allure (Abbing, 2002).

#### **2.4.2 Non-monetary Rewards and the Work Preference Model**

At the core of an economic approach to understanding human behavior and decision-making are incentives, but as Cowen (2008) pointed out, incentives don't just come in the form of money. Cowen (2008) wrote that money may have bought Judas's betrayal of Jesus and the corrupt government of New York's Tammany Hall, but it isn't always the best motivator. It can be argued that in certain contexts using monetary incentives can act as a disincentive because if one were to use monetary rewards too brutally or too frequently people may start to feel controlled, and people resent feeling controlled. This premise reflects the complexity of human motivation in that we are motivated by a combination of external and internal factors.

Incentives to improve productivity, such as bribery, may have the opposite effect on creative people. Amabile (1983, p.120) argued that individuals who are given external rewards 'seem to work harder and produce more actively, but the activity is of a lower quality, contains more errors and is more stereotyped and less creative than the work of comparable non-rewarded subjects on the same problem' because rewards 'divert attention from the task itself to the non-obvious aspects of the environment that might be used in achieving a creative solution.' Amabile is describing what economics refers to as moral hazard; a situation in which one party gets involved in a risky event knowing that it is protected against the risk and the other party will incur the cost (Economic Times). For example, moral hazard may arise when an artist accepts a commission as an agent to generate works whose quality may be compromised for income purposes rather than producing creative works for pure artistic purposes. Regardless of the work being displayed, as the remuneration has been determined in advance, the artist feels less obligated to challenge him or herself.

At the request of Amabile and her colleagues Phillips and Collins, 29 professional artists sent them 10 commissioned and 10 non-commissioned pieces of work. The researchers then invited art experts to judge the quality of the works without prior knowledge about which pieces were commissioned and which were not. The results consistently showed that the art experts judged the non-commissioned works to be more creative and of a better quality. There is clearly a great deal of subjectivity involved in this study, and while it is far from rigorous, nevertheless the results were as expected (Torr, 2008).

Throsby (2011) argued that true artists would produce art no matter what the financial circumstances that face him or her because it is probable that the artistic disposition will be able to overcome all financial obstacles in order to produce work. Throsby (2011) quoted a passage from a lecture John Ruskin (1857) delivered in Manchester to illustrate his point:

‘A real painter will work for you exquisitely if you give him . . . bread and water and salt, and a bad painter will work badly and hastily, though you give him a palace to live in, and a principedom to live upon . . . And I say this, not because I despise the great painter, but because I honor him; and I should no more think of adding to his respectability or happiness by adding to his riches, than, if Shakespeare or Milton were alive, I should think we added to their respectability, or were likely to get better work from them, by making them millionaires.’

In choosing to enroll in a fine arts course, prospective fine arts students may indeed believe that their labor market disadvantages will at least be partly compensated by a higher degree of job satisfaction through non-pecuniary rewards (Abbing, 2002). Menger (1999, p.555 *quoted in Steiner & Schneider*) described artistic work as ‘. . . *highly attractive along a set of measurable dimensions of job satisfaction that include the variety of work, a high level of personal autonomy in using one’s own initiative, the opportunities to use a wide range of abilities and to feel self-actualized at work, an idiosyncratic way of life, a sense of community, a low level of routine, and a high degree of social recognition for the successful artists.*’

The theory that artistic work entails high job satisfaction derived through non-monetary rewards is born out in the work of Throsby’s (1994) work preference model for artistic labor. Stemming from a 1988 Australian survey elaborated specifically for artists, Throsby (1994) asserted that non-monetary rewards are important for those interested in the arts and artists, when working in their chosen discipline, derive utility and not disutility from work, as assumed by the standard economic model of labor supply. In other words, artists, unlike the rest of the population, enjoy going to work. As noted in Steiner & Schneider (2013), Robinson and Montgomery (2000); Abbing (2002); Menger (1999); Adler (2006); and Rengers (2002), artists are considerably more satisfied with their work than non-artists.

Just as a university degree is more than just a ticket to a job, a job is more than a means to earn an income. In deciding what to study at university it is important to remember that there are reasons outside of financial considerations, for example whether or not someone expects to have an interesting, enjoyable, and meaningful working life (Norton, 2012). Careful, though, not to completely discount monetary incentives, Abbing (2002) noted that artists’ pursuit of non-monetary rewards does not, of course, mean that money is not important to them: artists are not that exceptional. Monetary rewards still matter because artists still live in the ‘real world’ where bills must be paid and at least a minimum standard of living must be met, particularly in the city of Melbourne, which in 2015 the Economist Intelligence Unit rated as the sixth most expensive in terms of cost of living (Business Insider, 2015).

It is probably true that monetary rewards may not be as important a motivating factor in one’s decision to study fine arts (Abbing, 2002). For artists money is a means, not an end.

### **2.4.3 Artists are Intrinsically Motivated**

The non-pecuniary rewards derived from artistic labor appear to be the by-products of making art. Indeed, the two are closely related. By making art artists receive private satisfaction. But the internal rewards one receives from making art are more than by-products. Most art historians, art experts, and artists believe that while intrinsic motivation can play a role in other professions, it is likely that only intrinsically motivated people can make creative art (Frey, 2012).

Intrinsic motivation is 'the motivation to engage in activity primarily for its own sake because the individual perceives the activity as interesting, involving, satisfying, or personally challenging. It is marked by a focus on the challenge and the enjoyment of the work itself (Collins & Amabile, 1999). The intrinsic motivation hypothesis of creativity is the conventional and dominant view that helps to explain why an individual chooses to make art (Frey, 2002). The hypothesis states that intrinsic motivation is conducive to creativity; controlling extrinsic motivation can be damaging to creativity, but informational or enabling extrinsic motivation can be conducive to creativity particularly if the initial level of intrinsic motivation is high (Amabile, 1997).

Mumford (2003) argued that creativity is strongly affected by interest in the task for the sake of itself and not on the external rewards one may hope to gain through its production, a finding that is applicable to artistic creativity (Loveland & Olley, 1979; Amabile, 1979; Hennessey & Amabile, 1988). According to Amabile (1985) this 'over-justification hypothesis' has been shown in the literature several times (Deci, 1972; Lepper, Greene & Nisbett, 1973; Lepper & Greene, 1975; Amabile, DeJong & Lepper, 1976) and in all cases intrinsic motivation was reduced by socially imposed constraints. External rewards, such as those mentioned by Cowen (2008) (previously discussed), might be seen as a threat to the intrinsic motivation one has to make creative art.

Throsby & Zednik (2010) found that the artists identified the personal qualities of 'persistence' and 'passion' as the most important intrinsic factors advancing their careers. They wrote that, 'Overwhelmingly it is the intrinsic factors that dominate -- artists primarily look to their own inner resources as the main motivation of their artistic work, rather than relying on external factors' (Throsby & Zednik, 2010, p.8). Indeed, they noted that of the factors found to be inhibiting their artistic practice, all were discovered to be extrinsic, including a lack of time because of other responsibilities, lack of work opportunities, and a lack of financial return from creative practice.

It's through intrinsic interests that people achieve great things (Pink, 2011). Unsurprisingly, intrinsically motivated are said to be more likely to willingly engage in and work to improve their skills because they understand the inherent value of education, thus increasing their capacity (Wigfield, Guthrie, Tonks & Perencevich, 2004). When the apparent high amount of intrinsic motivation in artists is accounted for in the analysis that follows the research is able to fulfill its mandate of presenting a clearer conceptually-driven risk-adjusted *ex ante* return analysis for a fine arts education.

## **2.5 The Uncertainty of the Educational Investment**

In assessing the financial benefits of completing a higher education qualification, the easiest way to present a picture of the expected returns is to look at the current income levels of people with given qualifications in cross sectional data (Daly et al., 2011). Mostly overlooked in these analyses, though, has been the risky nature of the educational investment (Altonji, 1993).

Many assumptions are required in order to present *ex post* figures as the expected income of someone just beginning that qualification. For this reason, accounting for uncertainty in the educational investment features prominently in the analysis of this study. Uncertainty factors into every step of the decision making process, particularly in light of the fact that this decision is customarily taken at an age when one has limited insight into labor market conditions (Hussey & Swinton, 2011; Groot & Oosterbeek, 1992). Groot & Oosterbeek (1992, p.41) summarized this point by writing that, 'The extent to which teenagers without any labor market experience have knowledge about employment and job opportunities, and about the returns on investment, is probably not large.'

Rather than estimating the returns to obtaining a college degree, Hussey & Swinton (2011) treated the educational investment decision as an uncertain investment involving varying likelihoods of successful graduation. They argued that prospective students may have an insufficient amount of knowledge of the content and the consumption value of a

particular field of education; during their course their preferences may change and what interested them at age eighteen no longer holds their attention at age twenty-one; the course may prove to be more challenging than expected and they drop out. Also, the probability of graduation rates differs across different institutions, with the higher quality and more selective schools experiencing higher graduation rates. Other factors such as parental income, attachment to the higher education institute and the availability of higher education aid, also have all been shown to determine the likelihood of graduation (Horn, Kojaku & Carroll, 2001).

Indeed, a host of uncertainty exists in the educational investment decision, and since there is a substantial lag from when the investment decision is taken to when the returns are generated, the decision is based on long term expectations of future wages, job openings, business cycles, employment rates, taxes, politics and future personal circumstances that can all change significantly.

There are two primary points of view that concern the uncertainty that specifically awaits prospective fine arts students. Alper & Wassall (2006) argued that would-be artists would surely recognize, after sixty years of documented disparity, the labor market disadvantages of being a career artist is clear but that these arguments are largely disregarded. Abbing (2002), however, maintained that information about the arts is usually incomplete. He found that as a result of this incomplete information, prospective artists face far more uncertainty than the average prospective professional. Most young people, Abbing wrote, have only a vague notion about what is involved in a career in the arts, where factors such as the number of competitors vying for room in a gallery, and the role of talent and one's own abilities are often most obvious. He further notes that if these aspiring artists did have a vague notion of any of this it is improbable to imagine that they would assess their odds correctly: if they did fewer people would end up choosing a fine arts course.

Because of uncertainty an *ex ante* analysis may differ considerably from the *ex post* returns. Heckman, Lochner, & Todd (2005) presented evidence of substantial differences in the *ex ante* and *ex post* returns to education in the USA. In Australia, Daly, Fleming, and Lewis (2006) show that the *ex post* returns to higher education for those starting their degrees in Australia in 1986 were higher than was predicted *ex ante* as the returns to skills grew in Australia over the 1990s.

As Kates (2014, p.34) stated, 'In an economy, as with just about everything else, the processes of change never come to a halt. Some of these changes are visible to all and some are virtually invisible. Indeed, some changes are unknown to anyone although they will ultimately affect everyone; think of an impending natural disaster or an invention that be made one year from today.' Indeed, when we account for uncertainty in the educational investment in terms of living in a constantly changing economic landscape and an unknowable future, we come to realize that the *ex post* statistics summarizing the returns to a higher education qualification can be misleading or at least need to be interpreted with caution.

## 2.6 Human Capital Theory

The first key theory to emerge attempting to explain the existence of graduate premiums is Human Capital Theory. Human Capital Theory is the most influential economic theory of Western education. In *The Wealth of Nations* (1776), Adam Smith formulated the basis of what was later to become the science of human capital. Fisher (1906) established the logical basis of an all-inclusive concept of capital, including human capital, and Mincer (1958) first used the term 'human capital' in the *Journal of Political Economy*. Becker (1964), though, is generally credited with formally developing the analytical framework of human capital (Kiker, 1966; Tan, 2014).



Human Capital is defined as 'productive wealth embodied in labor, skills and knowledge' (OECD, 2001), and refers to either the inherent or gained characteristics or knowledge in an individual that contributes to their overall productive capabilities (Garibaldi, 2006).

Derived from the neoclassical school of thought in economics, in which individuals are assumed to maximize their own economic interests, Human Capital Theory postulates that people invest in education not for present enjoyments or to fulfill a noble quest for enlightenment, but in order to gain pecuniary and non-pecuniary returns in the future (Blaug, 1992; Tan, 2014). Tan (2014) referred to Marginson (1989, 1993) to describe the set of assumptions in Human Capital Theory as follows: an individual acquires knowledge and skill (human capital) through education that increases their productivity in the workplace and brings a higher salary since, in an ideal labor market, the wage of a person is determined by that person's productivity. Thus, people invest in their education up to the point where the educational benefits are equal to private costs before allowing for diminishing returns. This line of reasoning suggests that education and earnings are positively correlated.

Due to its negative connotations of viewing the 'human as capital,' in other words slavery, Blaug, (1992) pointed out that some liberal academics have criticized the term human capital. Blaug (1992) noted that even before the 20<sup>th</sup> century, liberal philosophers such as J.S. Mill wrote 'the human being himself ( . . . ) I do not class as wealth. He is the purpose for which wealth exists' (Mill, 1909, p.47). As Tan (2014) noted, Schultz (1959) dismissed liberals critical of Human Capital Theory as being what he termed sentimentalists.

Human capital is not alienable. Human capital ownership cannot be separated from its original owner. Use and development of human capital is governed by human relationships which are characterized by numerous agency-type problems (Burton-Jones & Spender, 2011). Williamson's 'hold-up' problem (1985), for example, occurs because expected performance is relationship-specific, dependent on the motivations of the human capital owners tied to an economic relationship because of its specific nature and hold-up is a possibility on both sides of the transaction. This is similar to a firm's investment in the specific human capital of one of its employees who may quit and take the human capital investment with him or her.

One of the primary focuses of this research is to explore the 'nature' of the human capital that fine arts graduates accumulate during their course and to consider its 'use value' in an uncertain future professional context. Becker (1964) made the important distinction of characterizing human capital in two dimensions, namely 'general' human capital (which is valued by all potential employers) and 'firm-specific' human capital (which involves skills and knowledge that have productive value in only one particular company). This study has set out to explore which type of human capital fine arts graduates accumulate and to what extent. Tang & Wang (2012) argued that higher levels of general human capital, being more flexible than specific human capital, allow an employee to more easily transfer occupations and industries. Therefore, under the general rubric of investing in uncertainty, an analysis of the differing levels of type of human capital accumulated by fine arts graduates allows for a clearer risk-adjusted *ex ante* outlook to be formed.

## 2.7 The Creative Class

This section describes the important role that the accumulation of general usage human capital and Florida's (2002) 'Creative Class' plays in the ever-changing and increasingly uncertain knowledge economy. Furlong stated that ' . . . to prepare young people effectively for the modern world, we must nurture creativity (Furlong, quoted in Wyn, 2009, p. iv). This means that the knowledge economy demands more than proficient technical ability. If one is to thrive in an increasingly complex knowledge-based economy it is useful to have the ability to draw upon a comprehensive set of creative faculties.

The growing professional, educated workforce in Australia occupy part of the membership of Florida's (2002) 'Creative Class,' a socio-economic grouping who draw on creativity and different bodies of knowledge to solve problems. The basic thesis of the 'Creative Class' argues that as the economy transforms, as in Australia's case, from one based in agriculture or heavy industry towards a knowledge-based economy, creativity has become a more important part of the economy and as such, the market value of creative people has risen.

Traditional economic resources including land, labor and capital in a physical sense, are limited; but human ingenuity and creativity embodied in human capital are unlimited global resources that build on themselves, can be reproduced cheaply or at no cost at all, and defy the law of diminishing returns. The attractiveness of harnessing creativity for economic growth generated an outburst of activity in the academic literature since Florida's 2002 publication. Glaeser (2004) remarked that, 'Creativity is to the 21<sup>st</sup> century what the ability to push a plow was to the 18<sup>th</sup> century.' Arguing in the *Australian Education Review*, Wyn (2009) addressed the urgency of using creativity to solve problems as a 'must-have' for those who wish to make sense of the 21<sup>st</sup> century. And the 2010 *IBM Global CEO Study* strengthened these claims by reporting that CEOs rate creativity – more than rigor, management discipline, global thinking, integrity or vision – as the most important attribute to possess in order to successfully navigate our increasingly complex world.

In describing the 'super-creative core,' of his 'Creative Class,' Florida (2002) wrote that it includes ' . . . scientists and engineers, university professors, poets and novelists, artists, entertainers, actors, designers, and architects, as well as the "thought leadership" of modern society: nonfiction writers, editors, cultural figures, think-tank researchers, analysts, and other opinion-makers. Members of this super-creative core produce new forms or designs that are readily transferable and broadly useful -- such as designing a product that can be widely made, sold and used; coming up with a theorem or strategy that can be applied in many cases; or composing music that can be performed again and again' (Washington Monthly, 2002).

Aside from Florida's seminal work connecting creativity and the economy, others such as David Brooks' *Bobos in Paradise* (2000) and Ross Honeywill's *NEO Power* (2006), have also effectively highlighted the significance of creative workers in our knowledge-based economy.

Indeed, all the earmarks of Florida's 'super-core' 'Creative Class' are found in fine arts graduates. In September 2008, Nesta (formerly NESTA, National Endowment for Science, Technology, and the Arts) released a report called, *The Art of Innovation: How fine arts graduates contribute to the economy*. Based on a survey and interviews with over 500 fine arts graduates from the University of Arts, London, the authors demonstrated that fine arts graduates have many of the crucial skills needed for the creation of new, usable knowledge that extend beyond their immediate artistic practice to support and stimulate the British economy. In an abridged version of their findings posted to Nesta's website, the authors wrote that, 'The skills of fine arts graduates are of growing importance to the UK economy, where transferable skills and aptitudes for team-working, creativity and independent learning are vital to knowledge-intensive activities' (Oakley et al., 2008, p.3).

Among many observations, such as the notion that the very structure and organization of artistic work lends itself to economic development through innovation, Oakley et al., (2008) found that the preferred work methods of fine arts graduates are interpretive as opposed to analytical; whereas a more analytical approach reduces ambiguity and uncertainty, Lester & Piore (2004) claim that 'ambiguity is the critical resource out of which new ideas emerge.' It is this propensity to tolerate ambiguity and uncertainty, two fundamental ingredients in the innovative equation, which reinforce the notion that fine arts graduates are indeed important contributors to innovation. Oakley et al. (2008, p.14) wrote that, 'It is this ambiguity that makes the conversation worth having rather than the actual exchange of information. If the conversation is narrowed or closed off too soon, and the ambiguity is eliminated, potential innovations can be lost.'

Despite the concept of creativity being widely referred to, it is often misunderstood or misinterpreted and can take on multiple meanings and applications. Creativity is more than the ability to generate something new. Over time many variations of the concept have been formed, rebuked and reformed, but a rigorous and widely accepted definition of creativity has yet to emerge from the process. Despite the many attempts to define creativity, the fundamental nature of the concept continues to elude us.

Creativity is a fuzzy concept and so, too, are Florida's socio-economic groupings. Peck (2005) called the 'Creative Class' little more than a neo-liberal recipe for 'biscotti and circuses.' Defining who is an artist can also be problematic.

Despite the inherent difficulty of objectively defining creativity and deciding who should be included in Florida's 'Creative Class,' as a degree in fine arts demonstrates a prolonged engagement with creative thought and conceptualization, those holding a fine arts qualification, whether they work as a sculptor, photographer, or a retail manager, accountant or bartender, by dint of their qualification may find themselves as catalysts towards a bright economic future. What we find in fine arts graduates is a reasonably objective starting point for exploring questions of the precise relationship between people with developed creative faculties, the knowledge that these capacities spawn, and employment in the knowledge-based economy.

## **2.8 The Multigenerational, Retrospective Nature of the Study**

Due to the nature of contemporary work the career progression of higher education graduates can be slow after graduation (Purcell, Elias, Davies & Wilton, 2005). It can take years after graduates 'turn the tassel' before the benefits of their education begin to fully materialize, underscoring the importance of a multigenerational, retrospective study monitoring the long-term progression of graduates.

Literature from the UK following the early labor market experiences of graduates three to four years after leaving university shows that improvement in the labor market conditions of graduates can be relatively slow, even 'leisurely' (Purcell et al., 2005 p. 47). A review of examples from the literature from Coates & Edwards (2008) reinforces this supposition: Finnie, (2000, 2004) in Canada; Allen & van der Valdan (2008), Little (2008) in European countries; and Bradburn, Nevil & Forrest Cataldi, (2006), in the USA affirm that eventually 'university graduates are well-placed in the labor market' (Coates & Edwards, 2008, p.33).

## **2.9 Conclusion**

The literature review has presented a general discussion of key themes running through this thesis and leaves off at the point where the research entailed in this study picks up. The aforementioned inputs have been used to build the conceptual framework upon which the research will be able to present the conceptually-driven risk-adjusted *ex ante* return analysis. The research in these pages explores the motivating factors behind one's decision to enroll in a higher education course, the uncertainty involved in this investment decision, the nature of the human capital accumulated during one's degree, and its 'use value' in employment and living standards.

### Chapter 3. Methodology

The research took a retrospective approach in mapping the professional lifecycle of multiple generations of fine arts graduates living in and around the Melbourne, Australia area. The principle aim was to understand the motivations behind the *ex ante* decision to enroll in a fine arts course, as well as the occupational and employment implications of this choice, the 'nature' of the human capital accumulated during one's fine arts course and its usefulness in occupations outside of an immediate creative practice.

Tracking multiple generations allowed for the construction of a dynamic view of the professional lifecycle of fine arts graduates and provided the opportunity to gain a better understanding of issues surrounding continuity and change that are unlikely to be captured in studies that focus on a single generation at a single point in time (Tyler, Cuervo & Wyn, 2011, in Cuervo, Crofts & Wyn, 2013). Further to the point, because most artists acknowledge that they improve their skills throughout their careers through experience, either through learning on the job or seeking new skills in another art form, lifelong learning is a strong reality in the career of an artist and a factor contributing to the need for the research to take a multigenerational approach (Throsby & Hollister, 2003).

Retrospective studies have disadvantages vis-a-vis prospective studies which can negatively impact their veracity. Using retrospective methods to learn about feelings at some earlier time or to reliably recall past opinions is fraught with dangers. The most obvious problem is that of faulty memory. Faulty memory has two elements. People may simply misremember. The other element is that of 'telescoping' and 'reverse telescoping'. What people recall as occurring five years ago may have been two years ago or may have been seven years ago. A further difficulty with recalling the past, especially when recalling more subjective states, is the tendency for people to reconstruct the past in the light of present circumstances. A related shortcoming of retrospective studies can be that of selective recall.

Nevertheless, retrospective studies have a valuable role to play in social research and can provide valuable insights into the sequence of events in individual lives or into historical changes at the aggregate level.

An original online survey consisting mainly of quantitative observations was used to gather the primary data. The survey had a total of 270 usable respondents. A full version of the survey questions and responses to closed questions is provided in Appendix A. In addition to the survey, one case study was also performed with a fine arts graduate whom the researcher felt embodied the 'spirit' of the study in that the human capital she accumulated during her course was transferred to occupations not traditionally associated with the creative arts.

Two dominant 'streams' of data were collected by the survey and the case study in order to gain a clearer *ex ante* picture. The first determined the *ex ante* outlook of the sample at the start of their course. Observations in this stream were designed to capture data on whether or not the sample thought they were likely to complete their fine arts course and if that outlook influenced their decision to enroll; their chances of becoming a professional practicing fine artists; how certain they were of the occupation they wanted to pursue; and if they expected to accumulate skills that would be transferable to other industries. These *ex ante* issues are explored from the perspective of undertaking a fine arts education and provide a more holistic and rounded sense of the drivers that inform a graduate's decision-making under uncertainty.

The second stream focused on the 'nature' of the human capital accumulated by the sample during their fine arts course and its 'use value' in a professional context. The research sought to determine whether the graduates accumulated more general usage or specific human capital during their fine arts course and its flexibility is in terms of its ability to be

reallocated across a variety of occupations. In order to properly gather and analyze the data in this particular stream both quantitative and qualitative techniques were used.

This chapter will outline the research's methodological design and conduct. It will describe the analysis, reliability and credibility of the research methods. The chapter begins with a discussion around the granting of ethics approval. Next is a detailed description of who is included in the sample and how the sample was built. Next is a description of the quantitative results that include the median and mean age of the sample, educational qualifications, *ex ante* outlook, as well as the differing levels of human capital accumulation and their application to employment outside of the arts sector. Following the data description are two sections that describe the approach taken to collect the data and how the data was analyzed. The chapter ends with a brief conclusion.

### 3.1 Ethical Considerations

In accordance with RMIT University protocol for research projects involving human or animal subjects, ethics approval was first sought and granted by the relevant review board before building the sample. The procedure for ethics approval ensures that persons providing information to the researchers are treated appropriately. Ethics approval required supplying full information to survey respondents about the purposes of the research, affirmation of the voluntary nature of participation and assurances that all of the data would be strictly confidential. The letter of invitation, the survey and the proposed methodology were submitted to the Ethics Committee for necessary approvals in advance of building the sample.

### 3.2 Sourcing the Primary Data

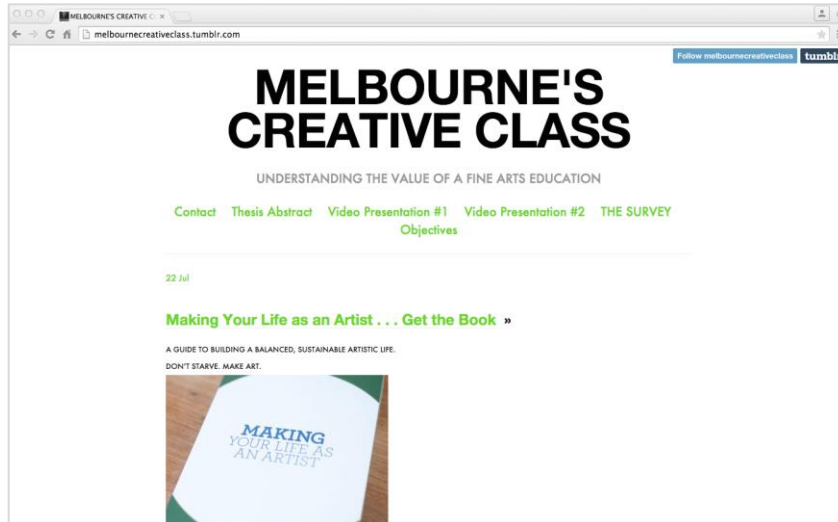
The sample members had to have a fine arts qualification from an institute of higher education and be living in and around the Melbourne, Australia area in order to qualify for participation in the research. As access to university databases was prohibited due to an existing privacy policy, selecting respondents from one particular institute to build to sample was unfeasible. While not all institutes of higher learning are equal in terms of character or quality, for the purposes of this study a fine arts qualification from any higher education institute was considered sufficient.

Due to the prohibition on alumni databases 'chain' sampling methods were adopted. Chain sampling is a tool used for building a specific a population when the sample the researcher wishes to locate is either hidden or difficult to access. In chain sampling the existing research participants recruit future subjects among their social networks.

Chain samples are subject to numerous biases because they are not selected from a pre-existing sample frame. In the case of this study, individuals who are practicing fine artists or were contacted either at a gallery or through their artist website may have more individuals in their social network who are also practicing artists. If this were the case the sample would be over-populated with graduates who are currently engaged in artistic practice and under-populated with graduates who studied fine art but are no longer practicing artists. Recognizing the potential bias, the question became how to contact fine arts graduates who had little if any contact in Melbourne's art circles?

Before building the sample a blog was created as a 'gathering point' for prospective sample members to learn more about the research and decide whether or not they would like to participate. The blog's URL was: [www.melbournecreativeclass.tumblr.com](http://www.melbournecreativeclass.tumblr.com). Figure 3.1 shows a screenshot for the blog's home page.

Figure 3.1 Home Page for Blog



The blog included text and two video presentations narrated by the researcher explaining the objectives and theoretical framework of the research. Also found on the blog were 28 posts of related literature and current articles of interest that allowed prospective sample members to situate the research into the larger context of cultural economics. A link was embedded in the blog that directed the participants to the online survey. The researcher's contact information was also provided on the blog if there were any further questions, comments or concerns.

The blog may have given cause for concern in relation to the Hawthorn effect. The Hawthorn effect is a term that refers to the tendency of some people to work harder and perform better when they know that they are participants in an experiment, thus changing their behavior due to the attention from researchers rather than any manipulation of independent variables. This is one of the hardest inbuilt biases to eliminate or factor into the design. Many types of research use human research subjects, and the Hawthorne effect is an unavoidable bias that the researcher must try to take into account when they analyze the results.

To build the sample social media platforms, particularly Facebook, was harvested. Facebook easily identified clusters of 'friends' and associates and allowed for bulk messaging. Depending on the individual's privacy setting identifying one's educational background was accomplished through a perfunctory check of their educational qualifications on the 'About' section on their profile. Using Facebook allowed the researcher (through persistent searching) to contact a diverse sample of individuals with common educational qualifications but with varying levels of artistic practices, including some who no longer practiced art at all.

A total of 615 graduates were contacted through online social media. As the success of chain sampling depends greatly on the initial contacts and connections made, a brief introductory message was sent to each of the prospective participant's LinkedIn or Facebook inbox explaining the objectives of the research with a link to the aforementioned Tumblr blog. Included in the message was a request asking for the message to be sent to other fine arts graduates and the blog's URL to be posted on their 'walls' (Facebook profile where friends can post for everyone to see) and in their 'newsfeeds.' Thus, web 3.0 technologies aided in building upon the chain sampling technique.

The perceived positive response through Facebook messaging as opposed to 'pounding the pavement' and emailing artists' website may be attributed to the ease in which existing sample members were able to recruit further members of their online social network through bulk messaging and regular postings of the blog's URL in Facebook's 'newsfeed.' Also adding to the perceived positive response through Facebook messaging is the notion that people use social media during

their leisure time; that is, if they find themselves with enough free time to browse through online social media posts they may be more inclined to read the introductory message, click on the embedded link to the Tumblr URL, and participate in the survey.

In total, the online survey instrument had a total of 270 usable respondents. The majority of the sample is female (65%) and born in Australia (82%). Most of the sample completed their fine arts course in the last 15 years; however, the sample is also composed of respondents who completed their course as early as the 1960's. Most of the respondents graduated from institutions in and around Melbourne, in particular the Victorian College of the Arts and RMIT University, but a number of other institutions across Australia and from as far afield as the U.K., the United States and Romania are also represented.

### 3.3 Broad Data Description

The sample is primarily composed respondents born in Australia (83 per cent). Sample respondents born outside of Australia are predominantly from the UK, the United States and New Zealand. The remainder represents countries as diverse as South Africa, Romania, Norway, The Philippines, Mexico, Japan, the Czech Republic, and Singapore.

Females represent 64 per cent of the sample. The age of our sample ranges from 21 years old to 67 years old for an average age of 38 (median 37). Males are slightly older (mean, 40; median 38) than females (mean, 37; median 34.5).

RMIT University (42.5 per cent) was the institution with the largest share of the sample, followed by the Victorian College of the Arts (VCA) (37 per cent) and Monash University (10.2 per cent).

The largest share of our sample graduated in the 2010's (41 per cent). 63 per cent completed a Bachelor's degree; while a further 31 per cent carrying on to earn a Master's degree (either by coursework or research). 3 per cent of the sample has a Doctoral degree.

Overall, the respondents had a positive *ex ante* outlook in relation to their fine arts courses. However, respondents were less confident that their artistic practice would garner them a primary source of income sufficient to meet the demands of a basic standard of living. Indeed, 87 per cent of the sample indicated that they were practicing fine artists at the time of completing the survey but only a very small portion of these respondents were able to make any viable income through their creative practice.

Casual and part-time work dominates the overall employment landscape of our sample. In total, just 11 per cent work in a full-time capacity; 59 per cent has a secondary source of income. Overall, both primary and secondary occupations represent a total of 28 different sectors that are described in Chapter 4.

A considerable amount of the sample has or is currently facing various inhibiting factors in their artistic career progression. A greater percentage of the female respondents indicated that they experience inhibiting factors, particularly surrounding the issue of 'domestic responsibility.' Further, disparity was found between the sexes in terms of the total amount of income earned generally and income earned from creative practice. The male respondents' mean and median total incomes were far higher, as was their income derived from creative practice.

The survey also revealed that the sample placed a higher emphasis on their accumulation of general usage as compared to the specific human capital.

### 3.4 Methodological Approach

The online survey gathered both quantitative and qualitative data concurrently and was based in part on the survey used in Oakley et al. (2008). As noted in Oakley et al. (2008) quantitative data allows for the determination of patterns and regularities while qualitative data looks for potential causal processes. An online survey was chosen primarily for the ease of dispatching the survey link, the speed and ease of response and data collection and retention. In addition to yielding longer and more original answers to qualitative questions, there is evidence showing that response rates for online surveys are higher than for postal surveys (Markusen, Gilmore, Johnson, Levi, & Martinez, 2006). Online surveys also facilitate more answer options, allow skip patterns with certain questions and enable digital coding.

The survey was anonymous and confidential. It was uploaded to Qualtrics.com and activated on October 4, 2013. Qualtrics is an online survey service permitting the creation and distribution of surveys as well as data storage and analysis features. The survey had 36 observations. The observations were answered using primarily 'tick boxes' while open-ended 'write in' observations provided the qualitative data. The advantage of using 'tick box' responses comes from the speed and ease in which the respondents can complete the survey as well as the accuracy in which the data can be collected and analyzed using basic filtering options offered by the Qualtrics software suite.

Both the survey and the case study were used to explore the following three questions: 1) The *ex ante* outlook of fine arts graduates before beginning their course; 2) The 'nature' of the human capital they accumulated during their course; and 3) The 'use value' of this human capital in employment and living standards.

The survey aimed to identify a number of inter-related themes that included broad demographics, *ex post* outcomes such as the graduates' current annual income and employment status (based on ABS classifications) as well as any obstacles that may have stood in the way of their artistic practice after graduation (refer to Appendix A for the full survey). Of particular interest to the researcher were the observations detailing the *ex ante* outlook the sample had before beginning their course as well as those collecting information pertaining to the 'nature' of the human capital accumulated during the fine arts course and its 'use value' in employment and living conditions.

O'Toole (quoted in Ewing, 2010) laid out the conflict inherent in arts research when he wrote of the fine line between research and advocacy. Quantitative research was effective in this regard because it essentially involved collecting numerical data that are analyzed mathematically to explain a particular phenomenon. Quantitative data provide answers that do not rely on opinion (Gall, Gall & Borg, 2003). In a scientific sense quantitative data analysis reflects a positive approach based on observed facts and empirical evidence.

While quantitative research measures what it assumes to be static reality, when the research needs to explore a problem in depth, these methods can be inadequate. As graduates experience higher education in different ways, and human capital involves a variety of intangible elements, most notably skill development, the decision to include qualitative input through personal narrative offered much needed background and insight. The aim of qualitative research is to understand a research problem from the perspective of the people it involves (Babbie & Mouton, 1998). Qualitative techniques allowed the research to get away from simple descriptions and to venture 'behind the numbers' to see the richness of the real social experiences.

To further explore qualitative data one case study was completed. The case study took the form of a semi-structured, audio-recorded interview between the researcher and the graduate at a café in Torquay, Victoria that lasted approximately four hours. During the interview key themes were explored in depth relating to the *ex ante* outlook of the interviewee before starting her fine arts course, as well as the 'nature' of the human capital accumulated during her course and its 'use value' in a professional context.



Case study research is an ideal methodology when a holistic, in-depth investigation is needed (Feagin, Orum, & Sjoberg, 1991). The semi-structured nature of the interview meant that the interviewer had to use probing techniques to build an understanding as the interview proceeded. The flexible format did not just provide answers to specific questions but rather revealed how the participant constructs reality and thinks about situations to provide important insights.

### 3.5 Data Analysis

The survey was open for four months from December 19, 2013 to April 28, 2014. The formal process of data analysis began by retrieving the responses from Qualtrics and examining them for completeness and correctness. A total of 6 respondents had to be withdrawn from the analysis because they indicated that they did not primarily reside in or around the Melbourne area. The data was then exported from the Qualtrics suite and 'cleaned up' for analysis using Microsoft Excel.

The quantitative and qualitative data were analyzed and are presented in Chapters 4 and 5. The analysis of both data sets rested on comparing the results found in the survey to existing theories and available data derived from the literature review.

Chi-square is a statistical test commonly used to determine whether there is a significant difference between the expected frequencies and the observed frequencies in one or more categories. The chi-square tests what scientists call the null hypothesis, which states that there is no significant difference between the expected and observed result. Chi-square is the sum of the squared difference between observed (o) and the expected (e) data (or the deviation, d), divided by the expected data in all possible categories. There are several types of chi square tests depending on the way the data was collected and the hypothesis being tested. The simplest case is a 2 x 2 contingency table.

Chi-squared tests were used to explore the relationship between some of the variables in the study. Some examples include: Are there gender differences in either *ex ante* expectations or outcomes? Is there an association between *ex ante* expectations and outcomes?

The responses available for selection to Question 17 (During your Fine Arts education, to what extent did you acquire the following skills and capabilities?) were 'high,' 'medium,' 'low' and 'not applicable.'" From these options Qualtrics assigned a minimum and maximum value from 1 to 4: high (1), medium (2), low, (3), not applicable (4). From the assigned values a mean was calculated and marked against the other responses indicating the level of importance each respondent attributed to each particular skill.

The statistical results were followed up with supporting specific quotes or information to provide confirmation or disconfirmation of the quantitative description (Creswell & Plano Clark, 2007). There was no attempt to merge or integrate the data; instead, the qualitative themes provide a broader perspective for the quantitative results to highlight a comparison between the two data sets.

### 3.6 Conclusion

The purpose of this chapter was to describe the research methodology and the approaches taken in this study. Attention has been given to a number of key issues, including the ethical considerations; how the data was sourced and the sample selected; a broad description of the results; the methodological approach and procedures used in designing the instrument and collecting the data; and the statistical procedures used to analyze the data. Taken together, the methodology upon which this research is built will allow the research to present the reader with a risk-adjusted *ex ante* return analysis for a fine arts education.

## Chapter 4. Quantitative Results

The findings presented in this chapter are derived from a sample of successive generations of fine arts graduates beginning in the 1960's and ending in the 2010's. In total, 270 respondents took the survey. The data was gathered from respondents who, at the time of completing the survey, were living in and around the Melbourne region.

The online survey captured data pertaining to a number of inter-related themes surrounding one's decision to enroll in a fine arts course and the occupational and career implications of this choice. These themes include broad demographics; *ex post* outcomes such as the sample's current annual income and employment status (based on ABS classifications); obstacles inhibiting the respondents' artistic practice after graduation; the *ex ante* outlook in terms of likelihood of being a practicing artist, income derived from artistic practice, details around completing the course, and transferability of skills; and the 'nature' of the human capital accumulated during the fine arts course. The purpose of this chapter is to quantitatively describe these responses.

The penultimate section in this chapter describes the gender differences found in the data. Overall, a few notable differences were found in key observations between the sexes. These include the expectations of income earned from artistic practice, total income earned, factors inhibiting artistic progress, and unemployment figures.

Significant proportions of the sample work either directly in the arts, the wider cultural sector, or can relate their occupation (primary and secondary) to fine arts. In total, 18 per cent of respondents identified their primary occupation as being in the arts sector and 54 per cent of the respondents' reported that their primary source of income was fine arts-related. In terms of secondary sources of income, 38 per cent of respondents reported that this was derived from the arts sector and 70 per cent of respondents reported that their secondary source of income was fine arts-related. The data collected in this study is consistent with literature (Throsby & Hollister, 2003; Aston, 1999; Blackwell & Harvey, 1999) noted in Oakley et al. (2008) suggesting that people who are trained in the arts will continue to remain in them in some capacity throughout their careers.

### 4.1 Demographics

The majority of the sample is female (64 per cent), a finding that corroborates the visual artists cohort in Throsby & Zednik (2010) (63 per cent female) as well as enrolment figures from ABS (2012) that report more females (57 per cent) than males enroll in higher education in Australia.

The sample ranges in age from 21 to 67 years old for a mean age of 38 (median 37). Males (mean, 40.42; median 38) are slightly older than females (mean, 37; median 34.5).

Within the sample 83 per cent of respondents were born in Australia. The state that had the most respondents was Victoria (71 per cent); followed by New South Wales (10 per cent), with other states having small representation, (Queensland 5 per cent; Tasmania 4 per cent, Western Australia and Australian Capital Territory 3 per cent each, and South Australia 2 per cent). The Northern Territory was the only region in Australia that was not represented in the sample.

Sample respondents born outside of Australia are predominantly from the UK, the United States and New Zealand. The remainder represents countries as diverse as South Africa, Romania, Norway, The Philippines, Mexico, Japan, the Czech Republic, and Singapore.

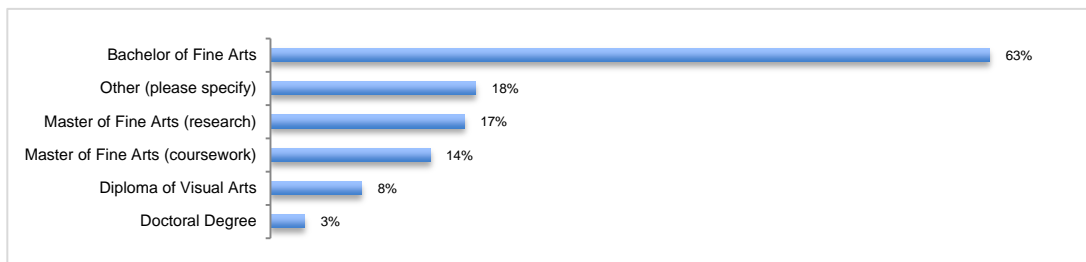
## 4.2 Education

Each respondent had to have a fine arts qualification from an institute of higher education in order to be included in the sample. Due to the prohibition on accessing university databases, selecting respondents from one particular institution to build the sample was unfeasible. While not all institutes of higher education are comparable in terms of character or quality, for the purposes of this study a fine arts qualification from any recognized institute was considered sufficient.

One of the chief limitations of this database stemmed from the prohibition on accessing university alumni. This prohibition meant that the data was unable to capture the character and quality of any particular fine arts school on the outcome of employment and income for students.

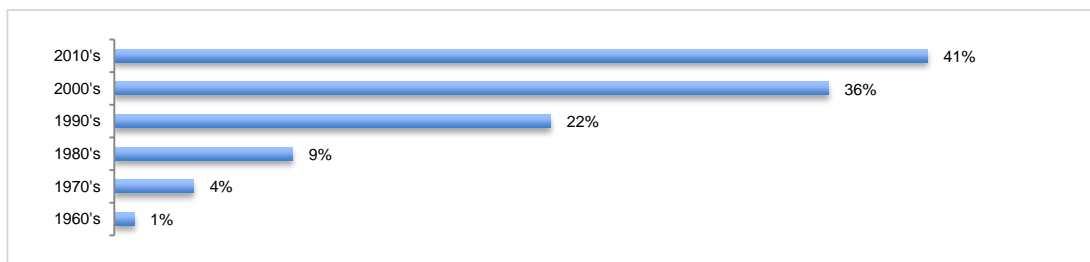
RMIT University (42.5 per cent) had the largest proportion of respondents. The Victorian College of the Arts (VCA) (37 per cent) was second, and Monash University (10.2 per cent) had the third largest proportion of the sample. Other institutions in Melbourne (Deakin University, Victoria University, and Latrobe University) and those further afield in Australia such as the Canberra School of Art (ANU); College of Fine Arts, Sydney; and Curtin University (Western Australia) are also represented. International institutions in New Zealand, Romania, the United States, and the United Kingdom are also included in the sample. In total, 10.2 per cent of our sample has graduated from multiple institutions. Graphs 4.1 and 4.2 illustrate the level of educational award and the time period of graduation respectively

Graph 4.1 Educational qualification awarded



Total responses: 218

Graph 4.2 Decade of Graduation



Total response: 219

## 4.3 Likelihood of Completing the Fine Arts Course

The survey asked the respondents how likely they thought their chances were of completing their fine arts course before beginning the course. In total, 91 per cent of the respondents indicated that they were 'likely' or 'very likely' to complete their course. Skip logic was used for those who responded positively to see whether or not this positive attitude influenced their decision to commence their course. In total, 82 per cent indicated that this positive perspective indeed influenced their decision to enroll.

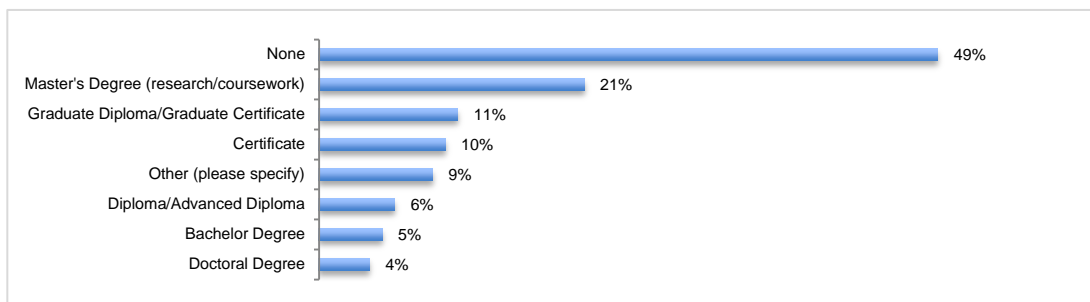
#### 4.4 Prior Education

Just under one half (47 per cent) of the sample had been awarded either one or multiple qualifications above a secondary school certificate prior to entering their most recent fine arts course: 24 per cent had a bachelor's degree; 37 per cent either had a diploma, advanced diploma, graduate diploma or a certificate; and 6 per cent had 'other' (Honors); and 3 per cent had a master's degree (either by research or coursework).

#### 4.5 Further Education

In today's competitive labor market further study has become commonplace. The ABS (2009) reported that just over half of 25 to 64 year olds with a Bachelor's degree went on to earn another qualification at some point. Our results corroborate those found by the ABS (2009). Overall, 51 per cent of our respondents completed further qualifications since leaving their initial fine arts course. Graph 4.3 describes these additional qualifications.

Graph 4.3 Additional qualifications earned by sample



Total responses: 207

Respondents who earned 'honors' degrees since leaving their initial fine arts course ticked the 'other' category.

The survey asked the sample to explain the motivation behind their decision to pursue additional qualification(s). Overall, an even a mixture of personal and professional reasons motivated the decision. Staying in school allowed them to extend their knowledge in art and theory by providing access to their art school's facilities, equipment and a supportive environment. These views are captured in the following statements.

*'I felt a strong urge to undertake fine art studies for my own understanding of life.'* (Male, Grad 2000's)

*'This additional qualification was prompted by my interest in extending my knowledge in art theory and philosophy.'* (Male, Grad 1990's)

*'Fine Arts degrees, because of the heavy research involved, often don't leave you much time to develop technical skills. I felt I was lacking the skills I needed to make what I wanted to make and decided to do another qualification.'* (Female, Grad 2000's)

Further qualifications were also sought to upgrade skills and enhance employment opportunities. This view is summed up in the following example: *'During my Bachelor of Fine Arts, although I enjoyed the course and was challenged in my artistic practice, I could not envisage myself as being an artist as my full-time career ( . . . ) so, after my BFA I decided to apply for Master of Art Curatorship at The University of Melbourne and got accepted into the course.'* (Female, Grad 2010's)

A large proportion of the sample works in the education sector as teachers, either in their primary or secondary occupations, which often requires an additional qualification. As the following statements reveals this was often viewed as a logical progression to paid work.

*'I completed additional Fine Art qualifications for personal practice, but also as a requirement of teaching.'* (Female, Grad 1980's)

*'I thought it was logical to get a teaching degree. Art being so unpredictable in terms of income.'* (Male, Grad 1980's)

As described in the Literature Review, many artists have, at least on a superficial level, a distant relationship with money. Artists are typically uncomfortable with pricing and selling work. Still, many completed an additional qualification in business. Interestingly, most of these qualifications were funded by the New Enterprise Initiative Scheme (NEIS), which is a federal government program that provides job seekers with accredited small business training, business mentoring, and income support (Department of Employment, 2014). For example:

*'I undertook the Certificate 3 in Small Business Management through the NEIS scheme supported by the Australian government.'* (Male, Grad 2000's)

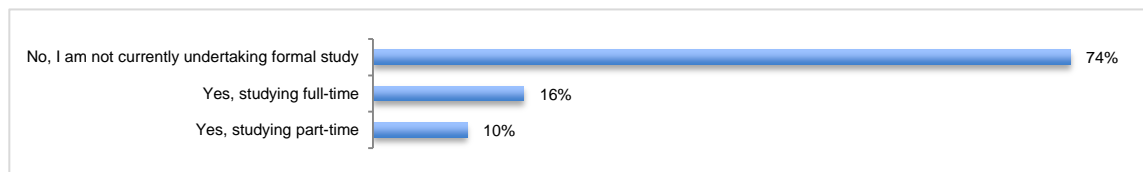
*'Upgrades to business class (no, really).'* (Male, Grad 1990's)

In the words of British artist Tracey Emin, 'If business is not for you, then the art world is not for you.' Without a good foundation of business skills artists can struggle to generate sufficient income. This is because being an artist means running a business, a very small business perhaps, but as legitimate and encompassing as any other. Heazlewood (2014) estimated that the business end of an artistic career accounts for more than 50 per cent of the 'art project pie chart.' Artists who lack the basics of approaching and working with clients, or who are not adept in dealing with insurance procedures, money management, and legal matters that include intellectual property, financial, trademark and copyrights run the risk of failure. The following quote is from a respondent who did not want to bluff her way through a business skill-set and sought out the appropriate qualification to assist her manage her art business: *'(I did a) small business course to try to make some viable income. The government supported me.'* (Female, Grad 1990's).

#### 4.6 Current Education

Around a quarter of the sample is currently enrolled in further study with most of these being enrolled full-time as Graph 4.4 reveals.

Graph 4.4 Proportion of respondents currently studying



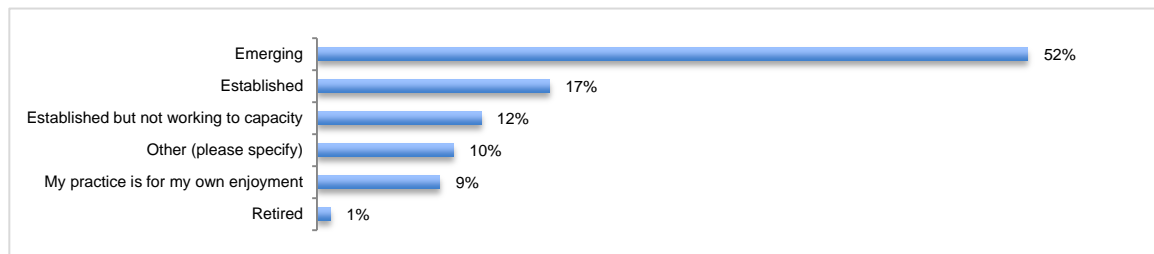
Total responses: 219

#### 4.7 Artistic Career Progression

In aggregate, 91 per cent of the sample has, at some point, considered themselves to be a practicing artist. Indeed, 87 per cent considered themselves to be practicing at the time of completing the survey; however, there are varying degrees of artistic practice.

Throsby & Zednik (2010) explained the artistic career progression. The first stage is when an artist sets his or her foot on the initial rung of the ladder and looks for a breakthrough point into the art world. This stage might be considered 'pre-emerging.' Following this 'pre-emerging' stage is a period that can be described as 'emerging' in which early forays into the arts world achieve a level of professional acceptance by peers. Being 'established' is the central stage and pinnacle of an artistic career. Throsby & Zednik (2010, p.31) found that most visual artists considered themselves established when they had their 'first big professional engagement or solo show.' Though indicative of a commitment to artistic practice, being established does not necessarily mean full-time or steady work. For some artists, being established may give way later in life to a committed but less intensive art making practice. Graph 4.5 describes the current stage that the sample saw themselves fitting into in terms of their artistic progression at the time of completing the survey.

Graph 4.5 Current state of artistic practice



Total responses: 195

The state of one's artistic practice can be difficult to categorize. As Graph 4.5 reveals, 10 per cent of respondents indicated that they were in stages that did not fit within any category. These respondents indicated that they are either 'pre-emerging,' 'uncategorizable,' or swinging between combinations of the proffered choices. The following describes the difficulty one of the respondents had when categorizing himself:

*'I am currently in a black hole that exists for many working artists in Australia - I'm past 'emerging' but neither am I considered established. I'm not represented, nor do I have a high profile as an artist. I am a working stiff of the art world. I don't consider it a 'hobby' but neither can I work on it full time due to financial constraints.'* (Male, Grad 1990's)

#### 4.8 Artistic Aspirations

At the commencement of their fine arts course, 92 per cent of the sample wanted to become practicing fine artists. While 63 per cent of the sample rated their chances as either 'likely' or 'very likely' that they would become artists; 24 per cent were 'undecided;' 9 per cent thought it was 'unlikely;' and 4 per cent thought the chances of becoming a fine artist was 'very unlikely.'

A chi-square test was used to determine the relationship between the sample's initial expectations of chances of being a practicing fine artist by whether or not their occupation (primary or secondary) is related to fine arts. Our finding indicated no relationship between those who wanted to be a fine artist and whether or not they were working in an occupation that was fine arts related at the time of taking the survey. This lack of observed foresight may be the result of unforeseen external factors including things like a lack of employment opportunities or low financial return or because of unforeseen internal factors, such as a change in preferences or some combination of these. In any case, the finding reveals a misalignment of expectations.

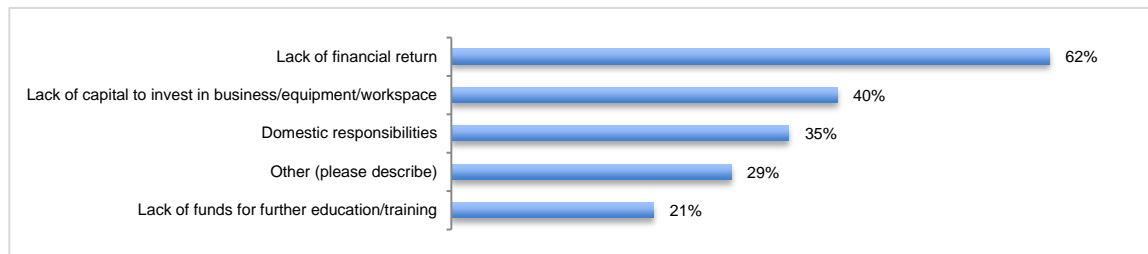
#### 4.9 Factors Inhibiting Artists' Careers

This section turns attention towards the negative factors inhibiting the artistic development of our sample, both at the time of taking the survey and throughout their careers. In total, 81 per cent of the sample has experienced factors inhibiting their professional development as an artist. This finding corroborates findings in Throsby & Zednik (2010) and Oakley et al. (2008), both of which found significant obstacles inhibiting one's artistic practice.

Given the weak relationship between the sample's expectations of being a practicing fine artist and whether or not their occupation is fine arts related, it is reasonable to assume that some of these inhibiting factors may have been unforeseen and can partly explain the lack of foresight or information misalignment.

Depending on one's medium, the costs of paint and canvas, studio, equipment, and tools, making art can be expensive. Perhaps unsurprising, financial problems are a significant factor that inhibits one's artistic progression. Oakley et al. (2008) and Throsby & Zednik (2010) both found that financial problems inhibited the careers of artists in their respective survey. These financial obstacles may arise from a lack of work opportunities, insufficient financial returns from artistic practice, or an inability to access financial support through grants. Graph 4.6 describes all of the nominated factors that have and are inhibiting the artistic progression of our sample.

Graph 4.6 Factors inhibiting artistic progression



Total responses: 156

One respondent summarized his experience with experience concerning financial obstacles in the following statement:

*'If you don't achieve a high level of success early on in your career, it gets harder and harder to justify the heavy financial and time commitment of practicing as an artist as other life commitments and entanglements increase. As a result I feel I have self-limited the scope of my personal projects based on what I feel is manageable and reasonable to produce with the resources and time I have. It means I am less ambitious about the scope of my projects because it's hard to get the money together to do them, and also because I have a relationship, family and friends who I want to see occasionally.'*  
(Male, Grad 1990's)

Among those who indicated 'other' factors have inhibited their artistic practice, the most consistent responses included a lack of time, laziness, and lack of confidence or self-belief.

Self-belief and confidence are essential if one is to make sales and win opportunity as an artist. Art making can be a perilous journey. For artists there is little separating themselves from their work; but yet through negative experiences artists still learn. Criticism to an artist is what a strong gust of wind is to a plant stalk, temporarily split, but when it heals it is stronger than before. Rejection, seen in this light, is a healthy part of the creative process. The following quote illustrates the importance of self-belief and confidence in the pursuit of an artistic career:

*'I learned that if I didn't believe in myself and be confident, I would never get anywhere.'* (Female, Grad 2000's)

#### 4.10 Income

The mean and median are the two most common ways in which incomes of groups can be measured and compared. The mean represents the average and the median represents the mid-point of the distribution. The downside of using means as an accurate representation is that they can be strongly affected by outliers, in particular by a few very high or very low observations at either end of the distribution. This is particularly relevant in the case of the 'superstar' art market, wherein a few individuals can earn very high incomes that push up the mean making it not reflective for many in the sample who are not superstars. Medians offer the advantage in that they are not so much affected by outliers in a large sample (Abbing, 2002; Throsby & Zednik, 2010).

Indeed, our sample had a considerable range in income earned, from A\$0 up to A\$200,000 per annum. The mean income for our sample is A\$41,179.48 which sits above the median (A\$35,000). These figures are slightly higher than those found in Throsby and Zednik's visual artist cohort (A\$34,900 Mean; A\$25,800 Median), though still well below the Australian average individual wage described by ABS (2014) of A\$57,980. It is important to note that the figures exclude income from government support and that the figures from Throsby & Zednok are in current terms from 2010. A small number of respondents in our sample (9) earned in excess of A\$100,000; while 12 respondents earned less than A\$10,000. Table 4.1 describes the average annual income of our sample by their decade of graduation.

Table 4.1 Average annual income (decade of graduation)

Decade of graduation	Income (A\$)
1960's	24,000.00
1970's	57,516.50
1980's	49,153.00
1990's	50,350.00
2000's	45,461.77
2010's	32,972.00

Total responses: 198

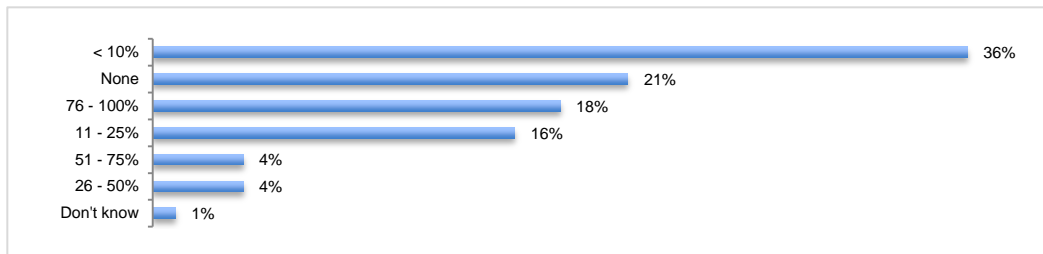
There are a number of circumstances where a conclusion is drawn and information reported on a subset of the surveys where the number of observations is too small for the estimates or tests to be reliable. When the data collected in the survey was disaggregated into decade of graduation the number of observations recorded is too small for estimates or tests to be reliable, particularly for the 1960's and 1970's decades of graduates. For example, the results presented in Table 4.1 are indicative only and are not an accurate representation of the income earned by graduates at each decade.

#### 4.11 Income from Creative Practice

In total, 87 per cent of our sample indicated that they were practicing fine artists at the time of taking the survey. Whilst some artists are able to derive a viable and sustainable income from their creative art practice, the majority of our respondents would be unable to meet a basic minimum standard of living through income derived from their creative practice. There is a combination of reasons for this including a lack of business awareness, money management problems and insufficient demand for their work. Graph 4.7 describes the percentage of income derived from creative practice by our sample.

Graph 4.7 Income derived from creative practice





Total responses: 219

If we take our average annual income figure as a reference point we can extrapolate that 57 per cent of the sample earns approximately A\$4,117.95 or less per annum from their creative practice. While caution needs to be taken with this interpretation, it does nevertheless provide a very rough estimate of the amount of income earned from artistic practice for the majority of our sample.

#### 4.12 Expectations of Earning Income from Creative Practice

When our sample began their course, 73 per cent of respondents indicated that it was 'unlikely' or 'very unlikely' that they would be able to earn their primary source of income through their artistic practice. This finding partially validates the suggestion that artists are intrinsically motivated, and choose to study their course despite believing that they are unlikely to derive any significant monetary rewards from their artistic practice. The minority (18 per cent) thought it 'likely,' while only 8 per cent indicated that they thought their chances 'very likely' of earning their primary source of income through their artistic practice.

A chi-squared test was used to determine and describe the sample's initial expectations of being able to earn their primary living through their creative practice by whether or not they work in the arts sector. As with the relationship between being a fine artists and whether or not they worked in a fine arts related field, there is a very weak relationship between those who believed they would earn a living from their art and whether or not they worked in the arts sector.

#### 4.13 Employment

In recent years, the Australian economy has seen a 'casualization' of the workforce (ABS, 2009). Artists have been caught up in this trend and are now regularly employed on short or longer-term contracts (Throsby & Zednik, 2010). Indeed, a high proportion (44 per cent) of our sample works in part-time or casual positions. In total just 11 per cent identified as working in a full-time capacity (more than 35 hours per week). Interestingly, the patterns of employment remains consistent irrespective the decades of graduation.

The ABS (2009) stated that casual workers are three times more likely to have earnings that varied from pay to pay and twice as likely to work hours that varied from week to week than other employees. These workers are also more likely to work less hours than those in secure full-time employment. An advantage of this is that it allows artists to have greater flexibility in the times of the week they work. As 87 per cent of our sample indicated that they are currently practicing artists, casual work may offer the income and flexibility needed to maintain one's creative practice.

Only 7 per cent of our sample was unemployed at the time of completing the survey, a slightly higher figure than the 6.2 per cent experienced by the rest of the state of Victoria (Department of Employment, 2015). Of those unemployed respondents, 75 per cent graduated in the 2010's, indicating that the burden of unemployment falls primarily on recent graduates who are also generally younger as well further making them more susceptible to unemployment as is generally the case for the young in the labor market.

#### 4.14 Primary Occupational Sectors

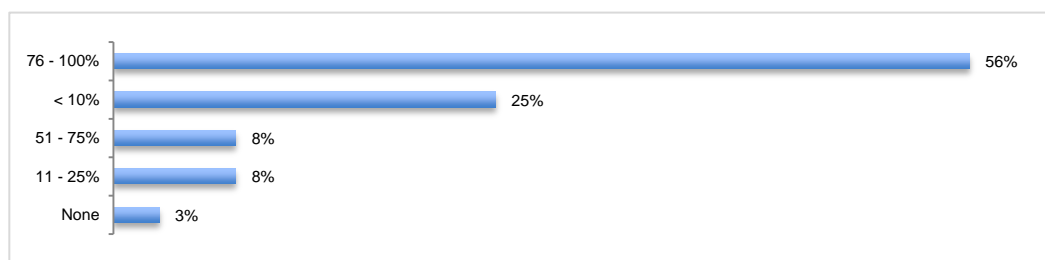
A fine arts course is not recognized as being as vocationally oriented as, say, law, accounting or engineering. Whereas in other courses large proportions of graduates can earn a living as a professional, in the arts only a small handful of graduates will make it as a professional artist. Either by choice or necessity, many fine arts graduates undertake work beyond their immediate core creative practice.

Our data illustrate the versatility of occupational sectors in our sample. Based on the ABS classification system a total of 26 different sectors are represented, including Health, Medical, Dental, Business Services, as well as Publishing, Retail and Wholesale Trade.

Education (primary, secondary or higher) with 22 per cent is the sector with the largest share of the respondents. These figures corroborate Oakley et al. (2008), who found that 20 per cent of their sample earns their primary income in the educational sector. Abbing (2002) noted that artists teaching art has always been a fairly common practice for a long time, but the fact that so many artists are now teaching appears to be a phenomenon of the last quarter century. Teaching art can offer artists the means to producing their own art while at the same time offering some immediate form of private satisfaction.

Not surprisingly, the arts sector also proved to be where many in the sample (18 per cent) found employment; while 7.4 per cent work in 'service to the arts,' and 3 per cent in applied arts/crafts. Graph 4.8 describes the approximate percentage of income derived from core artistic practice of those respondents whose primary occupation is in the arts.

Graph 4.8 Artistic income if primary income is in the Arts sector



Total responses: 36

#### 4.15 Primary Occupation Fine Arts Related

Creative work is defined as the artist's core creative practice. Arts-related work, on the other hand, includes myriad professions such as teaching, arts administration, community arts development, writing about the arts, and so on.

The majority (82 per cent) work beyond the arts sector; however, 54 per cent identified their primary occupation as being related to fine arts in some way. These occupations represent 17 sectors that include Retail Trade, Publishing and Media, Healthcare, Wholesale Trade, Transport and Storage, Marketing and Business Management, Medical and Dental Services and Recreational Services.

#### 4.16 Secondary Employment

Recalling that the Introduction chapter pointed to the changing nature of artistic work and the emergence of 'portfolio careers,' whereby artists move between occupations rather than maintaining a linear career trajectory. Consistent with

other studies (Throsby & Hollister, 2003; Throsby & Zednik, 2010; Oakley et al., 2008), a large proportion of our sample (59 per cent) hold second jobs.

Of these respondents, 18 different sectors are represented including Property Development, Manufacturing, Hospitality, Finance and Insurance. The sector with the highest proportion of respondents was the Arts with 38 per cent (20 percentage points higher than the proportion of those who work in the Arts as their primary occupation). The next highest occupational groupings were in Arts and Applied Craft (15 per cent) and Service to the Arts (7 per cent). Graph 4.9 describes the approximate percentage of income derived from core artistic practice of those respondents whose secondary occupation is in the Arts.

Graph 4.9 Artistic income if secondary income is in the Arts sector



Total responses:45

#### 4.17 Secondary Occupation Fine Arts Related

While 54 per cent of the total respondents identified their primary source of income as being fine arts related, a much higher proportion (71 per cent) of the cohort with a secondary source of income identified this occupation as being related fine arts related.

#### 4.18 Human Capital Accumulation

One of the primary aims of this study was to measure the 'nature' of the human capital fine arts graduates accumulate during their course. Observations pertaining to the accumulation of human capital are designed to begin the research's exploration into the relationship between people with developed creative faculties and employment in a knowledge-based economy.

The survey identified specific human capital as 'technical skills relevant to the fine arts industry.' The eight other accumulated skills listed are classified under the umbrella term of general human capital. Table 4.2 describes the order of the human capital accumulated by our sample, ranking the skills (by mean) from the most to least relevant.

Table 4.2 Order of human capital accumulation

Skill or Capability	Mean	n
Creation of original work	1.30	208
Work independently with self-motivation	1.34	209
Aesthetic appreciation	1.44	209
Analytical and critical reasoning	1.53	209
Theoretical skills	1.61	207
Work constructively with others	1.78	209

Self-belief and confidence	1.84	209
Technical skills relevant to fine arts industry	1.86	207
Social networking	1.95	208

As in Oakley et al. (2008), very few respondents indicated that 'technical skills relevant to fine arts industry' are the most important thing they learned during their course. Overall, specific human capital rated ahead of only 'social networking' in terms of its accumulated relevance.

The relative lack of attention paid to social networking is worth noting. While most artists may blanch at the thought of social networking, being able to network is a vital skill for emerging artists. Talent and ability are important, but success is often achieved through meeting and being championed by the right people (Branagan, 2011). Heazlewood (2014, p.109) believes that social networking is potentially the most important aspect of an artistic career, and argued that, 'You can make the best art in the world, but unless the right person likes you, certain doors may remain closed.'

The survey asked the respondents if they had accumulated any other skills during their course not mentioned in the proffered list. The most common skills listed by the respondents were those relating to communication, both verbal and written, which has primarily been of use when applying for grants and other funding. For example, two respondents commented on the soft skills in writing and communication they acquired:

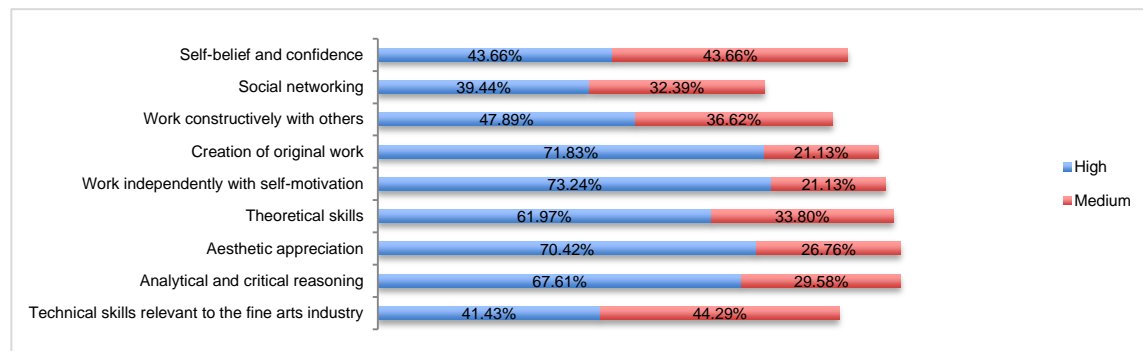
*'Proposal writing skills. These have translated into grant writing skills.'* (Female, Grad 2010's)

*'Communications skills and skills relevant for sharing knowledge and/or teaching others.'* (Female, Grad 2000's)

#### 4.19 Expectations of Transferability of Human Capital

Overall, 64 per cent did not expect the skills they were going to accumulate in their fine arts course would be easily transferable to other industries and occupations. Graph 4.10 describes the proportion of skills (high/medium) that were accumulated by only those respondents who did expect their human capital would be transferable to other sectors and occupations.

Graph 4.10 Transferability of skills



Total responses: 71

Higher proportions (61 per cent) of those who responded that it was 'likely' or 'very likely' they would be practicing fine artists expected that their skills would be easily transferable to other industries and occupations. Of those who thought it was 'likely' or 'very likely' that they would be able to earn their primary living as an artist, again, a much higher percentage

(69) expected their human capital would be easily transferable to other industries and occupations. This finding suggests that those respondents who had a more negative outlook in terms of having a viable artistic career also did not believe their skills would be useful in another occupation.

Our third chi-squared test looked at the expectations of skills transferability to other industries and occupations by whether the respondents work in the Arts sector (primary, secondary, and combined occupations). As with our earlier findings no significant relationship was discovered between those who expected their skills to transfer to other industries and whether or not they work in the arts.

The fourth chi-squared test measured the expectations of the sample's chances of being a fine artist as their primary occupation by whether they thought their skills would be transferable. Again, no relationship and a clear lack of foresight were discovered in regard to this relationship.

Taken together, our respondents who did not expect to earn a living as an artist did not believe their skills would be any more or less transferable than those who did expect to earn their living through their artistic practice. In other words, outcomes were not a particular focus of our sample. The majority of our sample didn't think they were going to be a fine artist and did not expect their skills to be transferable, a finding that may go some ways in suggesting the consumptive value of this field of education.

Taken together, the observations in this section reveal that those who did not expect to accumulate transferable human capital also did not expect to practice or earn a living as an artist. This seemingly illogical finding may suggest the consumptive value of fine arts education. Studying fine arts may simply be a choice that is taken by individuals who simply want to study, to 'consume it,' without any expectation of future monetary gain.

#### **4.20 Gender Issues**

The following section compares the differences in responses from female and male respondents. The analysis reveals similarities and differences between the sexes in a few key measures.

Educational qualifications, institutes, decade of graduation and basic demographics are relatively similar between the sexes. Males and females were born in Australia in near equal numbers (82 and 83 per cent, respectively). Males (mean, 40.42; median 38) are slightly older than females (mean, 37; median 34.5).

It is a fact that females in the workforce earn less than males, even after accounting for differences in participation rates and hours worked. However, as Throsby & Zednik (2010) argued, the earnings gap is particularly acute for women artists. Indeed, the mean income for male respondents in our sample is A\$53,641 per annum (median A\$43,000). For females, that figure falls dramatically to A\$34,827 (median A\$30,000).

Males also derive slightly higher proportions of their income from their creative practice than females. Half of the males in our sample earn less than 10 per cent or no income from their creative practice, compared to 60 per cent of females who earn less than 10 per cent or no income from their creative practice. At the top end of the scale, slightly more males (19 per cent) than females (17 per cent) earn between 76 and 100 per cent of their income from their creative practice.

The factors inhibiting the respondents' artistic practice reveal a marked difference between the sexes. Overall, 68 per cent of males indicated that there have been or are currently factors inhibiting their artistic practice. This figure is 88 per cent of females. Among the various factors, two stand out. First, 20 percent more females than males indicated that

a 'lack of financial return' was a significant factor inhibiting their artistic practice. Evidence of this is suggested in the lower mean and median incomes and income derived from creative practice.

Second, while 26 per cent of males responded that 'domestic responsibilities' have inhibited their artistic practice, 39 per cent of females found this to be an inhibiting factor. The most obvious source of domestic responsibilities comes from caring for children.

*'I am also a mother with a 3 year old and a 19 month old, so if I wasn't being a mother, perhaps I would be making more money from either my arts practice or other employment.'* (Female, Grad 2000's)

*'My primary focus has been mother of two for the past 13 years.'* (Female, Grad, 1990's)

#### **4.20.1 Employment**

In each employment status indicator except one, both sexes were evenly matched. Nearly equal percentages of males and females reported working on a casual/part-time base as well as in full-time employment. Just under a quarter of males and 22 per cent of females are self-employed in either a full or part-time capacity. Further, males and females were equally likely to be certain (or uncertain) of the occupation they wished to pursue at the beginning of their course.

The difference between the two sexes was found in the unemployment figures. While 5 per cent of males indicated that they were unemployed at the time of taking the survey, that figure is nearly double (9 per cent) for females.

The occupational sectors represented by both sexes are evenly distributed; however, a higher percentage of males (60 per cent) than females (51 per cent) indicated that their primary source of income was fine arts-related.

Equal proportions (60 per cent) of both sexes have a secondary source of income. For females, 40 per cent work in the arts sector in the secondary occupation, compared to 35 per cent of males who work in the arts sector in their secondary occupation. While 17 per cent of females and 10 per cent of men work in Arts and Craft, only 5 per cent of females and 10 per cent of males work in Service to the Arts. However, as with the primary occupation, higher proportions of males (78 per cent) than females (60 per cent) can relate their secondary source of income to fine arts.

A chi-test was used to determine whether or not there was any gender difference in expectations of being a practicing fine artists and working in an occupation (primary, secondary and combined) that was related to fine arts. No relationship was discovered, again indicating a lack of foresight or information misalignment.

#### **4.20.2 Education**

From the sample it was revealed that 62 per cent of males and 63 per cent of females earned a Bachelor's degree in fine arts. While a higher percentage of females (21 per cent) than males (14 per cent) have an Honor's degree in fine arts, a higher percentage of males (36 per cent) were found to have completed a Master's degree (females, 28 per cent). A higher percentage of males (4 per cent) than females (2 per cent) have earned a Doctoral degree in fine arts.

In terms of the expected successfulness of completing the fine arts course, a high percentage of males (90 per cent) and females (93 per cent) thought their chances were 'likely' or 'very likely.' A higher percentage of females (84 per cent) than males (77 per cent) indicated that this positive attitude had indeed influenced their decision to enroll in the fine arts course.

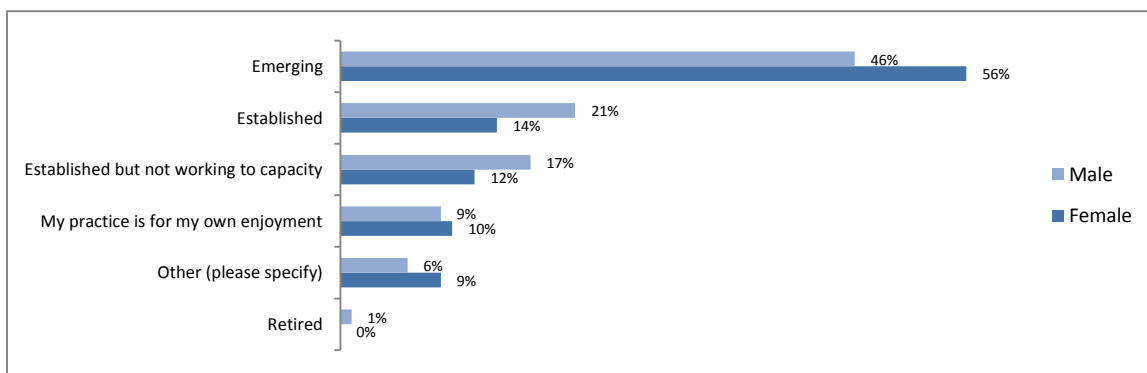
Prior to enrolling in their fine arts course, 49 per cent of females and 43 per cent of males had earned a qualification above a secondary school certificate. Exactly equal percentages (24 per cent) of males and females had a Bachelor's degree. 49 per cent of males and 51 per cent of females went on to gain an additional qualification(s) since leaving their course.

### 4.20.3 Artistic Expectations and Practice

At the beginning of their courses, a higher percentage females (94 per cent) than males (90 per cent) indicated a desire to become a practicing fine artist. There were no significant differences in terms of the likelihood of either sex believing they would eventually become practicing fine artists.

A higher percentage of males (90 per cent) than females (86 per cent) in our sample have, at some point, considered themselves to be a practicing fine artist. A slightly higher percentage of females (92 per cent) have considered themselves a practicing fine artist at some stage, while 87 per cent considered themselves a practicing fine artist at the time of taking the survey. Graph 4.11 describes the current stage of artistic practice of each sex.

Graph 4.11 Stage of Artistic Practice

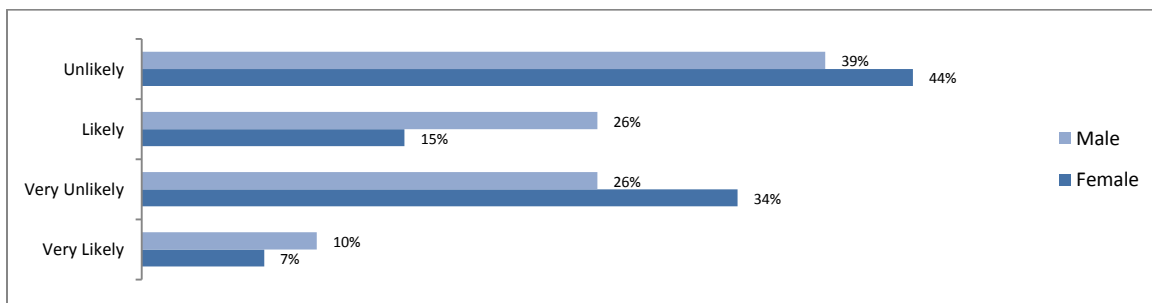


Total responses: 193

Both males (55 per cent) and females (57 per cent) primarily work independently on their artistic practice. One respondent added that, 'Artwork is always an independent activity, but complex social networking activities always surround the primary studio activity.' (Male, Grad 2000's)

Though still largely in the negative, males had a more favorable attitude in terms of their expectations of being able to earn their primary living through their creative practice before beginning their course. Graphs 4.12 describe these differences between male and female expectations.

Graph 4.12 Likelihood of earning a primary living through artistic practice



Total responses: 194

Another chi-test again found no difference between the sexes and a lack of foresight in terms of the relationship between the initial expectations of likelihood of earning an income as an artist and whether or not they actually were working in the Arts sector. The proportion of males and females who had the expectation of wanting to be fine artists is what we would expect in terms of the distribution, but not in terms of the actual results discovered in the chi-test.

#### 4.20.4 Human Capital

Nearly equal measures of males (62 per cent) and females (64 per cent) indicated that they did not expect the human capital gains they accumulated during their fine arts course to be transferable to industries and occupations outside of the Arts sector.

From most to least relevant, Table 4.3 and Table 4.4 describe the differences between males and females in terms of the importance each placed on the human capital accumulated during their fine arts course ranking the skills (by mean) from the most to least relevant.

Table 4.3 Human Capital Accumulation (Male)

Skill or Capability	Mean	n
Creation of original work	1.33	72
Work independently with self-motivation	1.40	72
Aesthetic appreciation	1.43	72
Theoretical skills	1.52	71
Analytical and critical reasoning	1.53	72
Self-belief and confidence	1.76	72
Work constructively with others	1.90	72
Technical skills relevant to fine arts industry	1.96	71
Social networking	2.13	72

Table 4.4 Human Capital Accumulation (Female)

Skill or Capability	Mean	n
Creation of original work	1.29	131
Work independently with self-motivation	1.30	132
Aesthetic appreciation	1.44	132
Analytical and critical reasoning	1.52	132
Theoretical skills	1.64	131
Work constructively with others	1.70	132
Technical skills relevant to fine arts industry	1.82	131
Social networking	1.85	131
Self-belief and confidence	1.88	132

#### 4.21 Conclusion

In every chi-test performed in Chapter 5 the expectations of the sample were misaligned, both in terms of occupation and income. The results describe what may be described as a lack of insightful foresight on the part of the sample or lack of comprehension of future unexpected shocks, both internal and external.



## Chapter 5. Qualitative Results

Anecdotal evidence suggests that most artistic skills are applicable to employment beyond of the creative arts (Throsby & Zednik, 2010). As a result of the income-earning potential of exercising their artistic skills across various sectors, the context of artists' careers is changing. As mentioned in Section 1.1., Throsby & Zednik (2010) referred to the end result of this occupational transformation as a 'portfolio' career. Portfolio careers are typically made up of jobs across various sectors in either short-term or part-time capacity. This occupational arrangement can supplement one's artistic practice, mitigate lost artistic expenditure, and allow for the flexibility needed to maintain an artistic practice.

Throsby & Zednik (2010, p.64) highlighted a few examples of portfolio careers, such as 'novelists who also work as editors or journalists; actors who run corporate training workshops; craft practitioners who develop new materials for use in architectural hardware; visual artists who design websites for commercial firms; dancers who instruct yoga or pilates classes; musicians and composers who work in advertising; and many more.' The following three examples of portfolio careers were extracted from the data collected in this research:

*'Unfortunately, because Australia is an arts wasteland, I have to support myself in a field that is unrelated to the Arts. This means working 7 days a week to combine paid part time work, running a small business and an arts practice on top of it all.'* (Female, Grad 2010's)

*"Bread and butter" sources of income are a necessity to survive. These allow me to keep my own practice less dependent on audience and gallery pressures.'* (Male, Grad 1990's)

*'My primary income is from working in 2 retail stores (1 bookshop and 1 clothing store). Both are completely unrelated to my practice but I need to work 5 days because the wages are low and I need to cover both house rent and studio rent. I work full time on my art practice as well, spending both my days off and sometimes before/after work in the studio.'* (Female, Grad 2010's)

Building upon the quantitative findings presented in Chapter 5 pertaining to the nature of the sample's human capital accumulation, coupled with the notion that artists typically adopt portfolio careers, the qualitative analysis presented in this chapter explores the extent to which these human capital gains transfer and contribute to occupations (primary and secondary) beyond the arts sector. The relative ease of transferring one's human capital across occupations and sectors is an important measure either mitigating or increasing one's exposure to unexpected future turbulence and as such provides the risk-adjusted feature of the analysis.

The qualitative chapter begins with the single case study of an RMIT University fine arts graduate from 1988. Jane currently works as a senior level executive in domestic and international industry engagement in higher education. As parts of her story unfold the case study illustrates a 'real world' example of an individual's decision *ex ante* to enroll in a fine arts program and how the general usage human capital she accumulated during has enabled her to successfully work outside of artistic practice.

Uncertainty awaits us at every step in our lives and nobody knows what the future will bring. These two basic axioms upon which this thesis is built have already been discussed and explored. Thirty years ago, if you had asked Jane where

she would be at this point in her life, she said she could never have imagined how her life has unfolded, nor how successful she has become. *'My success might be a drop in the ocean,'* she said, *'but at the same time I think somewhere in there I am somehow making a difference, and I am making more of a difference than I expected to as an artist. I think that being creative is the secret ingredient.'*

Following on from the case study the chapter ends with a description of the data collected from the two open-ended survey observations asking the sample to describe how their fine arts education informs their professional lives. Overall, the tenor of the sample's responses ranged from:

*'In no way, my job is simply an income to survive off and maintain costs for making work.'* (Female, Grad 2010's) to, *'The skills I learned in my course permeate everything I do professionally, for better or worse.'* (Male, Grad 2000's)

Before starting their course, 64 per cent of our sample did not expect the skills they would accumulate during their course to be transferable to sectors and occupations outside of their creative practice. Indeed, not all respondents indicated their human capital accumulated during their fine arts course was applicable to their primary or secondary source of income as evidenced in the following quote:

*'In no way does my fine arts education inform my job. My job is simply an income to survive off and maintain costs for making work.'* (Female, Grad 2010's)

Despite this 61 per cent of those who identified their primary income as 'not fine arts-related' were able to apply their human capital gains within their primary occupation. Of the proportion with a secondary source of income not related to fine arts, 57 per cent of respondents were able to apply their human capital gains to this occupation. Altogether, while not every respondents being able to apply his or her fine arts human capital gains to their occupation, the results suggest that significant numbers of artists are able to apply their fine arts human capital gains to earning income in sectors outside of the arts.

## 5.1 Case Study

Jane grew up in a tight-knit, Irish Catholic family close to the Dandenong Ranges on the outskirts of Melbourne. She described her upbringing as bohemian and a little bit 'hippie-ish.' Her parents both studied full-time at various stages during her upbringing and she recalls her family not having a lot of money when she was growing up, so out of necessity Jane's world became imaginative and inventive. Her 'freethinking' parents encouraged her creativity, and placed more of an emphasis on her creative and social rather than academic development.

*'We are all born creative,'* Jane said, *'but there is a certain point when it crosses over to be part of the DNA and it's impossible to deny. The DNA is set at a certain point when you can no longer stop and no longer start. It's like learning a language, the earlier the better.'*

Jane recalled that from a young age she identified as an artist, and didn't want to be anything but an artist. Abbing (2002) discussed this predilection among artists, pointing out that when assessing their chance in various careers, people naturally account for their skills. It should not come as a surprise, then, when a youngster who early on displays creative talent, and has parents to encourage this creative streak, decides to pursue a career in the arts.

Jane's went to 'non-traditional' schools that focused on the creative and humanistic development of their students rather than traditional scholastics. The students at her school were not required to produce an academic work unless they wanted to. While she enjoyed her educational experience as Jane progressed towards the final stages of school, she

also felt that its lack of formality would eventually hold her back in the 'regular' workforce because she would be up against people with a 'better' education'. For example, while Jane was socially engaged and politically aware of what was happening in the world around her, she could not write an essay about this.

Natural creative ability and an encouraging family aside, an individual's sense of their own inadequacies may also help to explain their decision to study and become an artist. In a sense, Jane's 'non-traditional' education had 'pigeonholed' her into a career in the arts. Abbing (2002, p.6) wrote that, 'It's possible that a lot of average artists choose to become artists not because of their superior talents, but because they believe they are unfit to do anything else on a professional level . . . Many artists just assume that they would not perform satisfactorily in a non-arts profession. They would be unhappy and therefore private satisfaction or non-monetary income would be less than zero.'

There were, then, at least two underlying factors that help explain Jane's decision to enroll in her fine arts course. First, she displayed creative strength from an early age that was encouraged by her family; second, her 'non-traditional' education strengthened a perception that she was 'unfit' for employment in a professional context outside of the arts. These two factors are also suggestive of Jane's high intrinsic motivation to become an artist as if it were her calling and really the only path truly right for her to pursue.

From an early age Jane was concerned that her creative aptitude might not be sufficient to provide stable employment. Jane stressed that she did not want to be one of 'those artists,' that could not look after themselves. This is consistent with data collected from the online survey in that the majority of respondents (92 per cent) wanted to be practicing fine artists before enrolling in their course, but were also aware that their creative practice was unlikely to offer them a viable source of income.

After secondary school Jane worked in a series of jobs that she described as '*dull*' before realizing that she needed an education if she was going to go further in her career. At 22 she enrolled in an applied art program at RMIT that exposed her to a wide variety of artistic disciplines. She eventually settled on the ceramics stream, believing this would fit well with her 'grassroots' upbringing and give her the opportunity to work and earn a living in a 'craft lifestyle' after graduation.

While studying Jane supported herself by working in hospitality. The manager of the pub where Jane worked knew that Jane was an artist and asked her to produce an artistic blackboard menu for the restaurant. When the manager saw the finished product he was impressed and asked her to produce more blackboard menu art at other pubs the group owned. Jane would be paid the wages of a waitress to produce the blackboard menu art. This became an additional stream of revenue for Jane until she finished her course in 1988.

After graduation Jane was trying to get a 'normal' job but found no luck. Australia was heading into a recession and '*jobs were disappearing into the vortex.*' She continued: '*Businesses were in real financial difficulty during that time. The market was becoming more competitive and people had to really start pushing their products. Food retailers had to live up their environment and do it as inexpensively as they could.*' Jane saw an opportunity and capitalized on it.

Oakley et al. (2008) pointed out that innovation research argues that spotting and capitalizing on opportunities is a key characteristic of innovators. They highlighted Rogers' (2003) observation that innovativeness is 'the degree to which an individual is relatively earlier in adopting new ideas than other members of his social system.'

By 1990, amidst the ongoing recession and lack of employment, Jane started pushing her blackboard menu art. With no business experience everything was learned 'on the run.' '*The business side of things was mostly insinuated in our course,*' she said. '*It was assumed that the students would be freelancers, would lead their own journey and would somehow find a way to do it.*'

Jane continued: *'Art school training helps you get stuff done. Art is showing the can, not the how. The one thing about artists is that they just do. And they keep producing stuff if they are motivated. Art is the form of doing. When you're making art you start the project from nothing but a concept and you design your project around that concept and you see it through to the finish. Innovating and seeing a project through to the end was a part of the process throughout the entire time I was studying. Making art feels like a wide-open road and you can make of it whatever you want to.'*

With chalk and blackboards Jane began livening up cafés and restaurants around Melbourne for what she described as a fraction of the cost of an interior designer and a signage production person. She was not big and rich, she said, but she was starting to get bigger jobs and charging more money.

By the end of 1990 Jane began more actively marketing her fledgling business and saying yes to every job that came her way. The ability to social network played an important role in the development of her business. She began recruiting other artists to keep up with the jobs that were coming in. Her mantra at the time was to create an opportunity to showcase fine art, something handcrafted that gives people joy but also creates jobs for artists and helps them earn a living.

She was first 'switched on' to business after her first *'decent commission'* arrived. It was at this point she realized that she had a 'nose for business.' Jane was able to call upon certain specific aspects of her artistic training that applied to the discipline of business. For example, her ceramics education taught her about scale and production capability. *'Ceramics,'* she says, *'is all about working out timing and duration of producing numbers and getting the product to market.'*

By 1991-92 Jane had a full-time staff of ten artists, who she refers to as her 'artistic family' working to capacity. Her artistic family was doing better work and pushing for higher prices. From an abandoned bakery with cheap rent (\$20 per week in the early 1990s) on the outskirts of Melbourne, her artistic family moved to a 20,000 square foot studio in Collingwood.

Creativity, as Jane described, was the cornerstone upon which her business was built, but it was at this point that Jane began focusing her creative energy away from the production side towards the business aspect. Creativity can manifest itself in many different ways, and Jane's was now focused on working out the business operations, dealing with clients, and understanding how businesses grew.

As the recession receded the clients Jane had fostered a relationship with began coming to her with bigger ideas and larger commissions. Jane was now designing entire restaurants from top to bottom and her business was growing all across the country.

*'Innovation,'* she said, *'was always a part of the process.'* By 1993 her business was a 'fully-fledged design production house,' making installations for restaurants and cafes. They were also moving into digital design to mass-produce menus, business cards and flyers for larger companies like McDonald's McCafes and Hilton Hotels. By this stage her business was also turning over approximately A\$750,000 a year.

Twelve years after graduating from her course at RMIT University Jane was not 'burned out,' but she was tired of the demands of needing to find creative solutions every day, of running high numbers of clients, and having to always pull something out of the 'airwaves.' Around this time Jane had started a family and she wanted a simpler life. She began to employ her exit strategy and sold the production side of her business to her workers.

After time at home Jane again began doing some freelance work and realized that she was not cut out to be a stay-at-home mother. She also became interested in the corporate world. She felt like she wanted to learn how to do business on a larger scale. She also knew that she had to market herself again.

*'The job market is interested in educational capabilities,' Jane said. 'Without a qualification, no matter how successful my design business was, I felt that it would be difficult to prove my business capabilities to the corporate world. The skills I gained as a fine artist, probably from life but consolidated in my program, gave me the confidence to go ahead to get the MBA. Completing an MBA was also partially about demystifying the belief that I wasn't clever enough to do it. Part of being an artist is proving your worth not only to yourself but also to the world.'*

After an initial period of adjustment, Jane soon realized she was indeed 'cut out' for an MBA and to pursue a career in business. During her course she found it advantageous to be a visual learner. For example, Jane excelled at being able to easily understand and tell a story based on graphs and charts. She was also able to draw her business ideas to explain them to herself more easily.

Being a 'design thinking person,' has been crucial in her current role as a senior level executive in domestic and international industry engagement in higher education. In order to grasp the changing business landscape, she stressed the belief that one must understand and be comfortable with ambiguity.

*'Every single business deals with the unknown every day. The way the world is changing you better get your design thinking in order because this is what really helps . . . To work in business, in my mind, where things are being reinvented and redesigned every day, where parts of business fall outside of the lines, it helps to be able to call up both the MBA and then apply design thinking . . . Design thinking makes you more comfortable with uncertainty and complexity and helps you deal with multiple concepts and possibilities at once. Design thinking helps you work out the possibilities that could exist but don't, it helps you get into that space. Everyone in business is having to deal with complexities of possibilities, things that haven't happened but will be moving towards.'*

Jane's experience is consistent with what Oakley et al. (2008) describes when discussing artists' comfort with ambiguity and how this can become an advantage in the recipe for innovation. They note the work of Lester & Piore (2004) who go so far as to claim that, 'ambiguity is the crucial resource out of which new ideas emerge.'

'The capacity to experiment and the habits of thought that allow us to make sense of radically ambiguous situations and move forward in the face of uncertainty are associated with artistic creativity, and are important for innovation, particularly where science and technology are not on their own drivers' (Oakley et al., 2008, p.14).

The human capital implications of Jane's experience reflect the value of flexibility and creative thinking; skills that are honed from a fine arts education:

*'Business is a learned capability that you get savvier at as you adopt the persona; but my true identity, in my heart of hearts, is a designer and a creative. That part is set in my DNA. I am most comfortable in a creative, imaginative, thinking space. They're all there in the DNA and you can't stop doing that. Creatives can learn business, but business can't fake being creative.'*

## **5.2 Sample Data**

*'As I say to my Father, if you understand Art History, then you understand the history of human invention and ideas. So, Fine Arts has taught me so much and provided me with a structure of understanding and the ability to apply this understanding to everything I endeavor to do.'* (Male, Grad 1990's)

A high proportion of the sample teaches art (primary, secondary, further/higher or other) in either their primary or secondary occupation. Furthermore, many respondents work in arts materials shops. In both of these occupational groupings, their educational background has proven essential.

*'My Fine Arts education underpins the basis of my teaching back into Higher education sector. I pass on what I have gained as well as seeking to improve on my experience of Arts Education. My own practice as an artist adds another layer of depth and complexity to my ability to teach.'* (Male, Grad 1990's)

*'I work in an art materials shop, where we also stretch canvases to order. I can understand the customers because of my own background in art, even though I didn't know much about the materials when I started working there. I had a degree in painting, but didn't know about all the brands, mediums, varnishes, gels, different paint brushes, Belgian vs. Russian linen, hand primed in Provence or just primed in Italy by a machine, which I now seem to know an awful lot about.'* (Male, Grad 2000's)

While not in the arts sector, it was nevertheless the contention of the research that both of these occupational groupings were too closely related to the art world and would not give an accurate and just measure of the transferability of fine arts human capital. For that reason all data pertaining to the professional use value of fine arts human capital in these occupations has been omitted from the qualitative analysis.

The following section has selected themes from occupational sectors as far-reaching as Manufacturing, Hospitality and Advertising/Marketing in order to present a range of fine arts human capital gains applicable to these occupational sectors. For examples:

*'I was a case officer within a government department. I guess using a creative empathetic approach helped me work within legislative guidelines but bend more to the left.'* (Male, Grad 1990's, Government Administration or Defense)

*'I work in steel fabrication, so the same problem-solving approaches to material that I use in art are applicable there.'* (Male, Grad 2000's, Manufacturing)

One of the most prevalent themes to emerge related to our sample's ability to use the communication skills they accumulated during their course to employment outside of the Arts sector. The basic art 'experience' endeavors to express and involves not only the creative process, but also the appreciation of the observer. As such, art making has long been supposed as a means of communication that is thought to improve social relationships through a greater understanding and appreciation of human ideas, emotion, and experience. The arts as a communication tool are also effective in multicultural and multilingual settings in helping to remove many of the written and verbal language barriers. Light and shadow, color and form, texture and intensity, these are the ways art speaks to its audience.

Sunderstrom (2002) put it this way: 'Art in itself is a form of communication, an extension of the person who has done the art, a way of communicating that which is within to those who are on the outside, a way of reaching inside to bring out that which is hidden to be revealed, a way to express much more in depth than with the limits of vision for written communication by using senses such as COLOR, SOUND, TOUCH, and even TASTE.'

Eisner (2005) elaborated on this notion when he wrote that, 'neither words nor numbers define the limits of our cognition; we know more than we can tell . . . we need art forms to say what literal language cannot say.'

Being reflective, establishing an opinion about art, questioning the intent of the fellow artists while respecting the opposing thoughts of others helps to develop one's ability to communicate; but this mode of thinking also augments one's capacity to empathize with others, which is another theme that was found among the data. For example:

*'I gained knowledge during my BFA about the process of making and publishing artwork across a myriad of platforms, which has helped me to empathize and have conversations with people I work with and be better at my job in publishing and media.'* (Male, Grad 2000's)

Confidence accumulated during their course that was applied to various occupations also rated highly among our sample. For example:

*'I learned that if I didn't believe in myself and be confident, I would never get anywhere. Confidence was important in all the jobs I've had, but also just in life in general.'* (Female, Grad 1990's)

*'As a result of my course, I feel more confident in my abilities. I feel that I can discuss/argue confidently when needed.'* (Female, Grad 2010's)

Goodheart (2000) referred to the arts as a central part of the human experience that helps develop self-confidence. But for artists, she argued the issue of confidence is often confused as a placeholder term for something more vital in the pursuit of mastery that defines creative pursuit. Smith (2006) argued that while confidence is static, an artist's self-determination is more important because it is a commitment to win, a commitment to fight the good fight. As Jane said, 'Art school training helps you get stuff done.'

Generally, artists have maximum freedom and flexibility with *when* and *how* they work. These are two features of artistic work that can make it a joyful profession; but at the same time this freedom can create an internal war when choosing the right path for the advancement of their artistic careers. Serious work in the Arts requires persistence, self-discipline and determination.

*'Becoming an artist was really the result of hard independent work, inside and outside the institution. Without a doubt, the effort I expended in my undergraduate course gave me an excellent footing.'* (Male, Grad 1990's)

*'My fine arts education indirectly influences my occupation because I am able to work independently, with focus and clarity, and solve problems efficiently.'* (Female, Grad 1990's)

*'My BFA was highly demanding with deadlines of creative output which has informed my habits and work ethic of completing tasks in my secondary source of income quickly and economically.'* (Male, Grad 2000's)

Self-determination is closely related to the intrinsic motivation as suggested in the Literature Review as a potential explanation for an individual's choice to undertake a fine arts course in higher education. The findings in the qualitative data would suggest that the already high levels of intrinsic motivation already inhaled in our sample were further refined during their course.

The aesthetic appreciation accumulated by our sample during their course has been applied across various occupational sectors, including Manufacturing, which typically calls upon workers to finish products in an aesthetically pleasing manner.

*'It influences, because my primary source of income (when I can work) requires me to use my hands and there is a high emphasis on the end aesthetics of the product we make. Also I am driven to work as the money I make from this job feeds directly into funding my art practice.'* (Male, Grad 2010's)

The sample accumulated higher-level research skills that were transferable across occupational sectors. With a long legacy of researching experience, involving the use of systematic experimentation with the goal of gaining knowledge about life, the arts are a useful tool of inquiry. In the words of Pablo Picasso, 'I never made a painting as a work of art, it's all research' (quoted in McNiff, 2008). A specific relationship to research can create a dynamic relationship to other kind of knowledge across a broad spectrum of occupational settings.

*'My BFA taught me how to source information on artists and research. Learning the proper way to conduct research has been helpful in lots of my previous jobs.'* (Male, Grad 1990's)

Artists carry out research about their surroundings, themselves, their instruments and the relationship between these (Hannula, Suoranta, & Vaden, 2005). As pointed out by McNiff (2008), Arnheim (1954, 1966) and Langer (1951, 1953), are largely responsible for validating the cognitive features of the arts to academic audiences and established the intellectual basis for approaching art making as serious inquiry.

Not all respondents found their fine arts education informative to their primary or secondary occupation as evidenced in the following quotes extracted from the data set:

*'It doesn't! I'm working in a call centre.'* (Male, Grad 2010's)

*'It doesn't really have any relevance.'* (Female, Grad 2000's)

*'My only skill I truly gained from studying Fine Arts in Australia was tolerance to be "taught" by bunch of burnt out, talentless morons with minimal understanding of technical aspects and no sense of aesthetic at all.'* (Female, Grad 2010's)

*'My education taught me an appreciation of classical music, how to wear vintage clothing properly, how to smoke marijuana.'* (Female, grad 1980's)

Respondents also indicated that their fine arts education was neither completely uninformative nor informative, as evidenced in the following quotes:

*'Simply in the fact they are both arts related. Though I'd say most everything that I put into my practice now was acquired outside of my degree. My degree most likely just provided the time and space to think and set me on a pathway.'* (Female, Grad 2000's)

*'In some ways but I have mainly developed my practice myself.'* (Female, Grad 2000's)

*'Perhaps having refined aesthetic appreciation helps me in my current job.'* (Female, Grad 2010's)

Despite the relative lack of importance placed on social networking, having the ability to build, maintain and rely upon connections has been crucial for a number of graduates in their occupations. The primary function of this accumulated



skill was not only to gain meaningful employment, but also to have a more enjoyable working life within the occupation itself.

*'The ability to connect with peers makes being an artist viable and sustainable in the long run.'* (Male, Grad 2000's)

*'My education provided me with networking and socializing skills that have made interacting with co-workers at my primary source of income much better.'* (Male, Grad 2000's)

Notions of social networking also call upon Bourdieu's theory of social capital and its formation as discussed in the Literature Review Chapter 2, section 2.4.1.

As the survey was primarily concerned with the human capital gains accumulated during a fine arts education it failed to account for any human capital gains accumulated by the sample prior to starting their fine arts course, through informal education or work experience.

Throsby and Zednik (2010) found that visual arts practitioners place a greater emphasis on formal training. More than two thirds of visual artists included in their census saw formal training as the most important type of training contributing to their professional career as opposed to private training or learning on the job.

Nevertheless, Q. 18 (During your Fine Arts education, if you acquired another skill or capability not listed above, please take a moment to describe it below) captured data relating to this tenor of data as evidenced in the following quotes:

*'Most of my skills as an artist have been acquired myself - fine arts education gives you a network, an institution on your CV and a studio.'* (Female, Grad 2010's)

*'I ran a student union magazine for 1.5 years. I commissioned and edited nearly all the articles & imagery in it. I did the graphic design and layout, prepared the final work for printing, liaised with printers, arranged launch parties, and coordinated distribution. This knowledge/experience was gained less through the formal course work and more through my work with the union.'* (Male, Grad 2000's)

*'Critical reasoning I gained mainly through previously studying science and mathematics. Some of that applies to fine art, but much fine art thinking and 'theory' is laughably flawed. I learnt to keep quiet on that point. And still do. :) Here's something that I put to good use: thinking and creating tangentially, inventively, laterally. Learning to read between the lines. And lies. I also applied the work ethic I learned studying hard science to fine art, and after some initial hiccups, cruised to the fore. Fine art students do not generally understand what working hard and intensively really is.'* (Male, Grad 2000's)

### **5.3 Conclusion**

Overall, while not all respondents were able to apply their fine arts human capital gains to occupations outside of the arts, the data indicated that the gains are applicable in various degrees across many different occupations and sectors. In total, 60.6 per cent of the sample found that their fine arts human capital did contribute to their primary occupation, while slightly less (57 per cent) were able to apply these gains to their secondary occupation.

## Chapter 6. Conclusion

The aim of this thesis was to explore the 'nature' of the human capital accumulated by fine arts graduates and the extent to which these gains apply to occupations and sectors outside of the arts. The key research questions used in the investigation are: 1) Do fine arts graduates make an informed *ex ante* decision prior to enrolling in their fine arts course; 2) Do fine arts graduates accumulate more general or specific human capital; and 3) Does the accumulation of general human capital allow them to work in a number of different occupations across sectors.

After discussing some of the key themes that have emerged from the research (and shaped the parameters of the research), this concluding chapter will close with a discussion of some of the implications of the research that have the potential to influence perceptions around the usefulness of a fine arts education.

### 6.1 Human Capital Revisited

Advances in knowledge, as embodied in human capital, are now a critical factor in economic progress. Paul Krugman (1994) articulated the end game for economic growth in the following quote: 'Productivity isn't everything, but in the long run, it's almost everything. A country's ability to improve its standard of living over time depends almost entirely on its ability to raise its output per worker.'

There are considerable benefits to having a more productive economy. Contemporary examples like Hong Kong, Singapore, Denmark and Switzerland support the hypothesis that if an economy has a skilled workforce it can prosper despite the absence of abundant natural resources on national territory (Schultz, 1981). Using Asian countries that have moved closer to the developed countries of the West in recent years as an example, Piketty (2014) argued that it was those countries' investment in human capital (not foreign investment) that is largely responsible for their economic improvement and the reduction of income inequality both within and between countries. Writing of human capital's contribution, Piketty (2014, p.21) noted that 'The technological convergence process may be abetted by open borders for trade, but it is fundamentally a process of the diffusion and sharing of knowledge – the public good par excellence – rather than a market mechanism.'

Every organization, business, and national economy requires human capital to function and accomplish goals. Norton (2012:6) put it succinctly when he wrote, '... more jobs require, or are more easily carried out, with the knowledge and skills higher education sets out to teach.' Murray (2010:46) impishly commented that, 'Over the last century, brains became much more valuable in the marketplace.'

### 6.2 *Ex ante* versus *ex post* in Accounting for Uncertainty

The literature describing the returns involved in completing a tertiary qualification relies on *ex post* statistics. While these statistics are important, it is useful to point out that they are a retrospective way of looking, and as such are an imperfect predictor of returns in an unpredictable and uncertain future. We live in an ever-changing, ever-morphing world, and as such the figures detailing graduate outcomes should not serve as absolute markers indicative of future successes and failures.

Economist Simon Kuznets, whose work provided the support on which economists and statisticians built the quintessential economic indicator, gross domestic product (GDP), wrote in 1934, 'The valuable capacity of the human

mind to simplify a complex situation in a compact characterization becomes dangerous when not controlled in terms of definitely states structure. With quantitative measures especially, the definiteness of the result suggests, often misleadingly, a precision and simplicity in the outlines of the object measured' (Kuznets, 1934).

Unlike other forms of capital, human capital cannot be separated from the person who has it. By exploring the 'flexibility' of the human capital gains accumulated by fine arts graduates and not the ex post statistics, the research in these pages was able to present a picture of the expected returns one may hope to gain from their fine arts education in an uncertain future.

The fact remains that investing in higher education and completing a qualification provides access to jobs. Indeed, the majority of those who enrol in higher education in Australia do so for employment considerations. And while on average higher education graduates in Australia typically experience higher incomes and occupy more stable positions in the labor market relative to those without a higher education qualification, fine arts graduates do not share in the spoils of such a qualification. I would however conjecture that in the case of fine art graduates motivated to apply their wares to areas outside the traditional realm of art practice the opportunities to do so exist and are likely to increase as employers become more innovative and creative in terms of their practices and approaches to dealing with uncertainty.

Every individual, when deciding on a field of education, has a choice. Perhaps accounting, engineering, and dentistry graduates are passionate about their field of education; or perhaps they used reason, logic, and common sense to reach for a career that is likely to give them the expectation of financial security and occupational stability. The results found in the data in this research suggested that fine arts graduates didn't face this choice using the same logic or approach. The vast majority of our sample indicated a desire to become a practicing fine artist despite being fully aware of the fact that they were unlikely to earn a viable income through their creative practice, a finding that would suggest the consumptive value of this field of education. One can intimate that fine arts graduates discovered a talent, developed an ambition, and recognized a passion they could not fight regardless of where it would take them in a future professional context. The results suggest that when it comes to the arts, passion trumps common sense and rational thinking. Fine arts graduates were not just following their dreams when they enrolled in their course; they were seeking out what they saw as their destiny.

In each Chi analysis our sample showed a lack of foresight in terms of the relationship between their *ex ante* outlook and their *ex post* returns. In order to explain the misaligned outlook discovered in our sample data we turn to Abbing (2001), who argues that available information in the art world is often extremely incomplete, incorrectly interpreted or simply ignored. This, Abbing believes, is in part the result of the myths that surround the art in terms of its sacredness and the personal, subjective nature of art itself.

Abbing (2001) uses the lack of information in part to account for the low wages that artists typically earn, data that was born out in the results of this thesis. Abbing's 41<sup>st</sup> thesis states:

*"Due to misinformation, more people choose the arts, more artists offer their services in the market, and more art is produced than would have been the case had this information been more accurate. Misinformation contributes to the low incomes in the arts"* (Abbing, 2001, p. 122).

If misinformation became corrected, Abbing argues, after a while fewer people would enter the art world and eventually an income situation comparable with that of other professions would emerge.

### **6.3 The Nature of Human Capital in Fine Arts Graduates**

The purpose of attending university is not just about the monetary premiums one hopes to experience, nor is it about what job you end up in 3 months or 3 years after graduation. As the variety of experiences in terms of employment outcomes of our sample reveals, the nexus between education, a fine arts education in particular, and career development is complex. Furthermore, in focusing upon those trained in the arts we distinguish between their career defined in terms of their art practice as opposed to a so-called portfolio career that typically arises as many artists engage in traditional labour markets to earn a living and support themselves when art production proves unable to provide the requisite income to live off. Indeed, by taking a longitudinal perspective to consider the lifecycle career associated with fine arts graduates some interesting findings have emerged that counter some of the superficial criticism that fine arts courses often receive in terms of failing to lead to 'successful' graduate outcomes. Findings presented in this thesis support the view that fine arts graduates acquire high levels of general usage human capital and are creative and flexible problem solvers. These skills and attribute sets have lead some fine art graduates to find success in a variety of occupational and industry settings, including in business as the case study presented in Chapter 6 clearly illustrates.

In assessing the impact and outcomes associated with a fine arts education it is important to remember that education serves multiple purposes, each of which can be very personal depending on one's economic, social, spiritual, cultural and political reality. In this sense to always seek to tie education with monetary reward mitigates some of the other more elusive qualities associated with education that also have value. The essence of education is that of a dialogue between teachers and students, institute and the world, with a focus on measures of meaning, purpose, relationship, thought, and belief. Certainly as the momentum of the knowledge based economy gains pace education will continue to play a key role in equipping the workforce with the necessary skill and aptitude to undertake knowledge based jobs. Yet what is also becoming increasingly clear as a recent report from the Australian Workforce and Productivity Agency entitled Australia's Skill and Workforce Development Needs (2012) revealed is that with the pace of innovation and change presently occurring and which will continue to occur, there is great uncertainty around what jobs of the future will even be. In light of this the advantages of general usage human capital are amplified. Creativity and flexibility in thinking and approaching problems are more important than ever and this is something industry is also becoming acutely aware of too. The primary goal of education then is to teach students how to think, not what to think. This is best achieved by offering them a spectrum of knowledge beyond the superficial gains of power and influence that fosters intelligent leadership through critical thinking and self-reflection.

#### **6.4 On the Benefits and Usefulness of a Fine Arts Education in the Labor Market**

According to the Winner, Goldstein & Vincent-Lancrin (2013, p.23), 'Even though people share different views about how best to foster skills for innovation, arts education is clearly one of the avenues this is commonly envisaged to do so – and one that appears as plausible to most people.' People today, including policy makers, now see art education as an integral part in the development of each human being, allowing for the cultivation of skills and attitudes that innovation requires beyond and above artistic skills and cultural sensitivity (see Oakley et al., 2008).

Creativity, flexibility, and the ability to solve problems are all important in order to make sense of 21st century (Ewing, 2010), particularly in light of the fact that 'innovation' drawn from a creative problem-solving culture was heralded as one of the pillars to raising productivity in the Australian federal government's white paper Australia in the Asian Century (2012). The white paper emphasizes the importance of Australia building further strong links and higher levels of engagement with Asia. To do this successfully requires an openness and acceptance of diversity as well as being innovative, all of which are hallmarks of creativity. Just as there has been a renaissance in thought towards the value of a BA, the time is coming also for a similar shift in general acceptance of the value of a BFA.

## 6.6 Conclusion

Economics is very much a model of individual behavior that is motivated by costs and benefits. At its heart, economics strives for simplicity. Other fields of scholarship often focus more on complexity. But in economics, the simplest story that can explain a set of facts is the one that economists gravitate towards. The assumptions, conceptual framework, and implications upon which this thesis was built are simple but intended to present a reflection of the reality of the situation in which fine art graduates find themselves after graduation and throughout the lifecycle of their career both as artists and in the workforce.

In the past our education system mined the minds of students for a particular commodity suited to the needs of a labor market that it serviced. The problem today is that the knowledge economy has radically restructured the nature of work, nobody knows what those future jobs will look like, and yet education is meant to carry us into this future as the impetus to economic growth. In light of these shifting in labor market conditions and the future uncertainty that they create, it is of the utmost importance for individuals to maintain flexible workplace skills.

Modelling the educational investment based on ex post indicators and assumptions of perfect foresight tell us nothing of the skills these graduates have accumulated, nor their potential use value in the labor market. The research in these pages set out to measure the differing levels of general and specific human capital accumulated by fine arts graduates to explore the 'use value' in employment beyond the arts sector. Under conditions of investing under uncertainty, general usage human capital gains are preferable due to their relative ease in transferring across occupations and sectors in the face of unexpected economic turbulence. The quantitative results in chapter 4 described how the sample placed a clear emphasis on their general usage human capital gains. In fact, the specific human capital as embodied in 'technical skills relevant to fine arts industries' rated second lowest.

The qualitative results in chapter 5 were used to describe how the sample applied their general usage human capital across occupations and sectors. Overall, 60.6 per cent of the sample was able to apply their human capital gains to their primary occupations; 57 per cent were able to apply these gains to their secondary occupation. These occupations represent 27 occupational sectors beyond of the arts.

Through the adoption of portfolio careers, artists reveal hidden qualities as they apply their accumulated skills as researchers, teachers, writers, entrepreneurs, manufacturers, librarians, administrative assistants, pilates instructors, marketers, and participate in social or political processes. If this career fluidity continues to grow, it is reasonable to expect that as Australia ascends further into an economy that values creativity and human ingenuity for economic development, artists will continue to seek and find their skills applicable to occupations beyond the Arts.

Jacob Viner, in his American Economic Association presidential address delivered in 1939 said, 'No matter how refined and how elaborate the analysis, if it rests solely on the short view it will be ... a structure built on shifting sand' (Viner, 1959, p.112, quoted in Schultz, 1993). The sights of this thesis have been focused on the long-term implications of the potential use value of a fine arts qualification. It may be that fine arts graduates are currently experiencing disappointing labor market returns relative to others with a commensurate educational qualification; nevertheless, nobody knows what the future will bring, nor the potential professional use value of the human capital accumulated by fine arts graduates.

## Appendix A: Survey

### Q.1 Gender

- Male
- Female

### Q.2 Age

Please write your age

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### Q.3 Were you born in Australia?

- Yes
- No

### Q.4 If you were born in Australia, which state/territory were you born in?

- New South Wales
- Victoria
- South Australia
- Tasmania
- Western Australia
- Queensland
- Northern Territory
- Australian Capital Territory

### Q.5 If you were not born in Australia, what country were you born in?

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### Q.6 Do you primarily reside in Australia?

- Yes
- No

### Q.7 Which of the following best describes your employment status?

- Working full time paid employment (35 or more hours per week)
- Working part time paid employment (less than 35 hours per week)
  - If yes, would you prefer more hours?
- Self employed (35 or more hours per week)
- Self employed (less than 35 hours per week)
- Casual employment

- Not currently in paid employment, looking for employment
- Not currently in paid employment, not looking for employment
- Other form of paid employment

**Q.8** Are you currently studying?

- Yes, studying full time
- Yes, studying part time
- No, I am not currently undertaking formal study

**Q.9** What is your approximate gross annual individual income from all sources?

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**Q.10** What percentage of your annual income comes from artistic practice?

- None
- < 10%
- 11 – 25%
- 26 – 50%
- 51 – 75%
- 76 – 100%
- Don't know

**Q.11** When did you graduate?

- 1950's
- 1960's
- 1970's
- 1980's
- 1990's
- 2000's
- 2010's

**Q.12** What institute did you graduate from?

---

**Q.13** What fine arts qualification(s) were you awarded?

- Diploma of Visual Art
- Bachelor of Fine Arts
- Master of Fine Arts (coursework)
- Master of Fine Arts (research)
- Doctoral Degree
- Other (please specify)

---

**Q.14** What qualifications did you have before you started your Fine Arts course?

- Secondary School Certificate of Education
  - Certificate
  - Diploma/ Advanced Diploma
  - Associate Degree
  - Bachelor Degree
  - Graduate Diploma/Graduate Certificate
  - Master's Degree (Research/Coursework)
  - Other (please specify)
- 

**Q.15** What qualification(s) have you gained since leaving your fine arts course?

- Certificate
  - Diploma/Advanced Diploma
  - Associate Degree
  - Bachelor Degree
  - Graduate Diploma/Graduate Certificate
  - Master's Degree (Research/Coursework)
  - Doctoral Degree
  - None
  - Other (please specify)
- 

**Q.16** Please describe this additional qualification(s): what prompted you to take it and how was it funded or supported?

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**Q.17** During your fine arts education, to what extent did you acquire the following skills and capabilities?  
(high/medium/low/n/a)

- Work independently with self-motivation
- Analytical and critical reasoning
- Aesthetic appreciation



- \_ Theoretical skills
- \_ Technical skills relevant to the fine arts industry
- \_ Creation of original works
- \_ Work constructively with others
- \_ Social networking
- \_ Self-belief and confidence
- \_ Other (please describe)

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**Q.18** In which sector is your current primary source of income?

- \_ Agriculture, Forestry, Fishing
- \_ Mining
- \_ Manufacturing
- \_ Electricity, Gas and Water Supply
- \_ Architecture, Urban Environment
  - \_ Urban/Regional Planning
  - \_ Interior Design
  - \_ Environmental/Landscape Design
- \_ Engineering
- \_ Construction
  - \_ Building Construction
  - \_ Non-Building Construction
  - \_ Construction Services
- \_ Wholesale Trade
- \_ Retail Trade
  - \_ Clothing and Soft Good Retailer
  - \_ Department Stores
  - \_ Furniture, Household and Appliance Retailing
  - \_ Other Retail Trade
- \_ Accommodation, Cafes, Pubs and Restaurants
- \_ Transport and Storage
- \_ Communication/Telecommunication Services
- \_ Finance and Insurance
- \_ Property and Business Services
  - \_ Computer/IT Services
  - \_ Technical Services
  - \_ Legal and Accounting Services

- Marketing and Business Management Services
  - Property operators or Developers
  - Other Business Services
  - Government Administration and Defence
  - Education
    - Preschool Education
    - Primary or Secondary
    - Further or Higher
    - Other Education
  - Health and Community Service
    - Hospitals and Nursing Homes
    - Medical and Dental Services
    - Child Care Services
    - Community Care Services
    - Other Health Services
  - Cultural and Recreational Services
    - Craft/Applied Arts
    - Film and Video Services
    - Radio and Television Services
    - Libraries
    - Museums
    - Parks and Gardens
    - Museums
    - Arts
    - Service to the Arts
    - Sport
    - Publishing/Media
    - Other Recreational Services
  - Other (please specify)
- 

**Q.19** Is this occupation primarily fine arts related?

- Yes
- No

**Q.20** In addition to your primary source of income, do you have a secondary source of income?

- Yes
- No

**Q.21** In which sector is your secondary source of income?

- Agriculture, Forestry, Fishing
- Mining
- Manufacturing

- \_ Electricity, Gas and Water Supply
- \_ Architecture, Urban Environment
  - \_ Urban/Regional Planning
  - \_ Interior Design
  - \_ Environmental/Landscape Design
- \_ Engineering
- \_ Construction
  - \_ Building Construction
  - \_ Non-Building Construction
  - \_ Construction Services
- \_ Wholesale Trade
- \_ Retail Trade
  - \_ Clothing and Soft Good Retailer
  - \_ Department Stores
  - \_ Furniture, Household and Appliance Retailing
  - \_ Other Retail Trade
- \_ Accommodation, Cafes, Pubs and Restaurants
- \_ Transport and Storage
- \_ Communication/Telecommunication Services
- \_ Finance and Insurance
- \_ Property and Business Services
  - \_ Computer/IT Services
  - \_ Technical Services
  - \_ Legal and Accounting Services
  - \_ Marketing and Business Management Services
  - \_ Property operators or Developers
  - \_ Other Business Services
- \_ Government Administration and Defense
- \_ Education
  - \_ Preschool Education
  - \_ Primary or Secondary
  - \_ Further or Higher
  - \_ Other Education
- \_ Health and Community Service
  - \_ Hospitals and Nursing Homes
  - \_ Medical and Dental Services
  - \_ Child Care Services
  - \_ Community Care Services
  - \_ Other Health Services
- \_ Cultural and Recreational Services
  - \_ Craft/Applied Arts
  - \_ Film and Video Services
  - \_ Radio and Television Services
  - \_ Libraries
  - \_ Museums
  - \_ Parks and Gardens
  - \_ Museums

- Arts
- Service to the Arts
- Sport
- Publishing/Media
- Other Recreational Services
- Other (please specify)  
\_\_\_\_\_
- N/A

**Q.22** Is this occupation fine arts related?

- Yes
- No

**Q.23** Regarding your primary source of income, how does your fine arts education inform/influence your professional practice today?

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**Q.24** Regarding your secondary source of income, how does your fine arts education inform/influence your professional practice today?

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**Q.25** At the commencement of your fine arts education, did you wish to become a fine artist?

- Yes
- No

**Q.26** If you answered Yes to Q. 25, how likely did you rate your chances of becoming a fine artist?

- High
- Medium
- Low

**Q.27** If you answered No to Q. 25, how certain were you of the occupation you wanted to pursue?

- High
- Medium
- Low

**Q.28** Did you expect that the skills accumulated during the course of your fine arts education would be easily transferable to other industries?

- Yes
- No

**Q.29** Before starting your fine arts course, how likely did you rate your chances of successfully completing the course?

- High
- Medium
- Low

**Q.30** If you answered 'Medium' or 'High' to Q. 29, did that influence your decision to commence a fine arts education?

- Yes
- No

**Q.31** Have you ever considered yourself a practicing artist?

- Yes
- No

**Q.32** Do you now consider yourself a practicing artist?

- Yes
- No

**Q.33** If you consider or have considered yourself a practicing artist, at which stage are you at in your life as a practicing artist?

- Emerging
- Established
- Established but not working to capacity
- Retired
- My practice is for my own enjoyment

Other

**Q.34** Are there now, or have there ever been, any factors inhibiting your professional development as an artist?

Yes

No

**Q.35** If you answered 'Yes' to Q. 34, please select all responses that apply.

- Lack of financial return
- Lack of capital to invest in business/equipment/workspace
- Domestic responsibilities
- Lack of funds for further education/training
- Other (please describe)

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**Q.36** Which best describes the working style of your primary artistic practice?

- Work independently
- Collaborate
- Work independently and collaborate
- Collaborate occasionally
- N/A
- Other (please describe)

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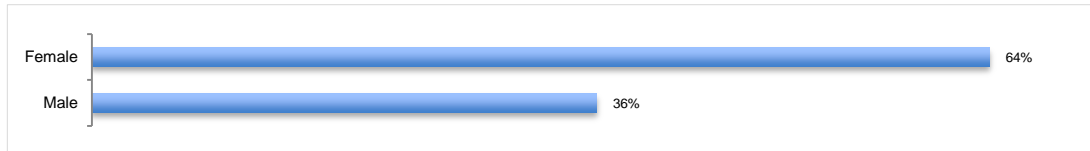
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## Appendix B: Survey Results

Table 1. Gender:



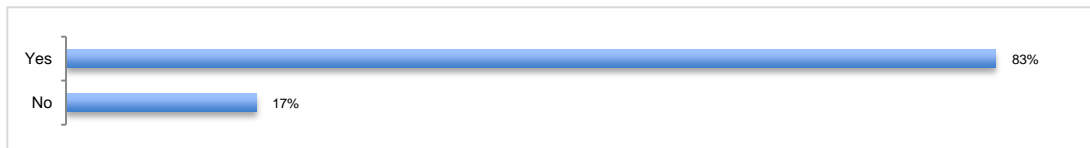
Total responses: 217

Table 2. Age:

Range	Mean	Median
21 - 67	38.37	37.00

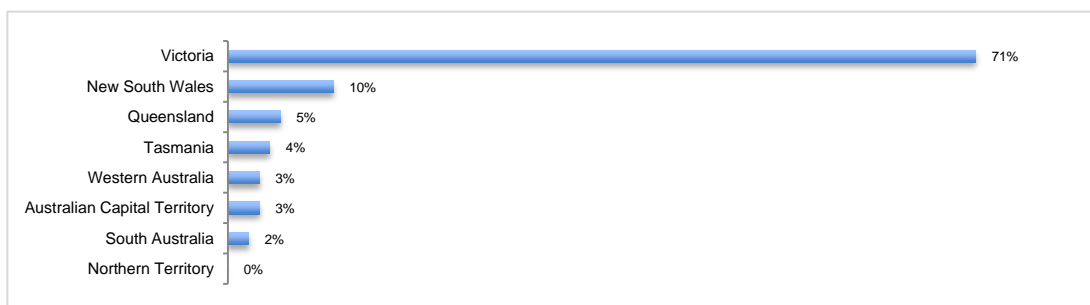
Total responses: 205

Table 3. Were you born in Australia?



Total responses: 218

Table 4. Which State/Territory were you born in?



Total responses: 181

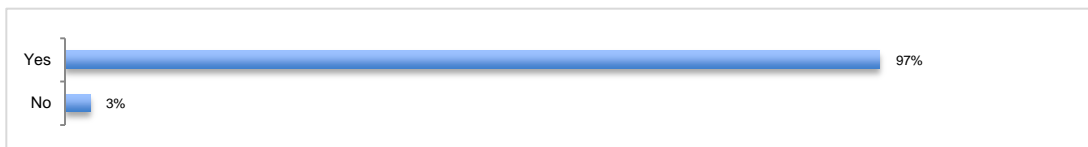
Table 5. Country of birth:

Country	n
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Austria	1
Czech Republic	1
England	5
Indonesia	1
Japan	1
Mexico	1
New Zealand	3
Norway	1
Philippines	1
Romania	1
Singapore	1
South Africa	2
Thailand	1
United Kingdom	1
United States of America	4

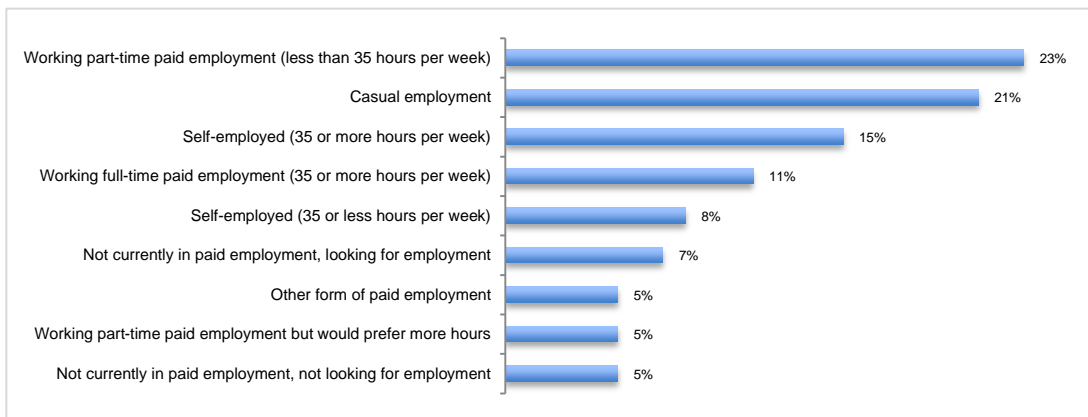
Total responses: 25

Table 6. Do you primarily reside in Australia?



Total responses: 225

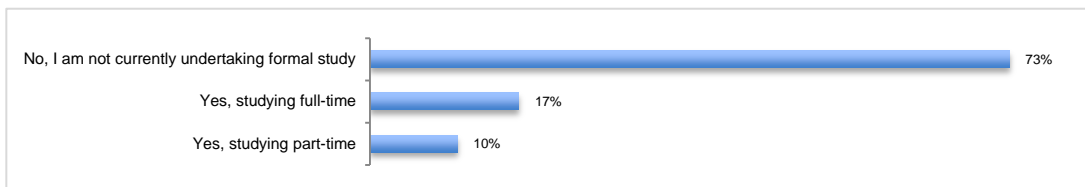
Table 7. Which of the following best describes your current employment status?



Total responses: 225



Table 8. Are you currently studying?

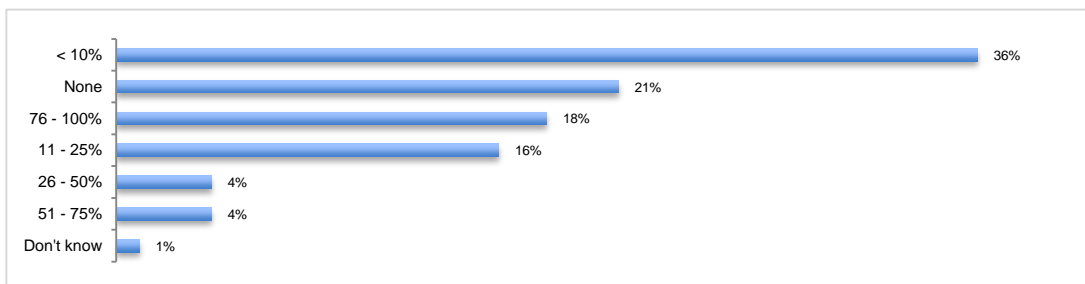


Total responses: 225

Table 9. Approximate gross annual income (A\$)

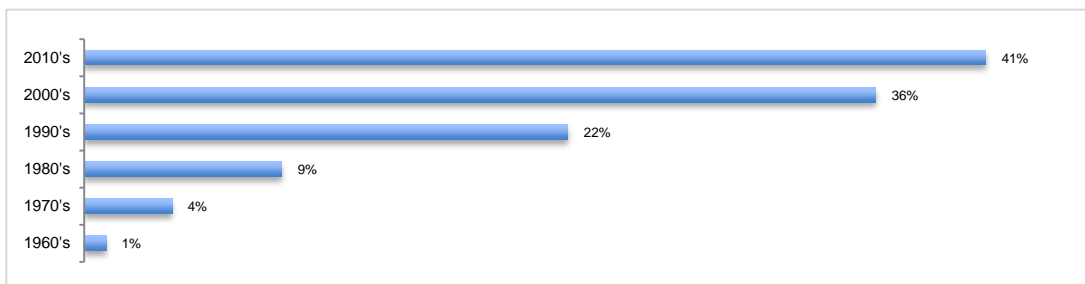
Range	Mean	Median	Total Responses
0 – 200,000.00	41,198.48	35,000.00	202

Table 10. Approximate percentage of annual income from artistic practice



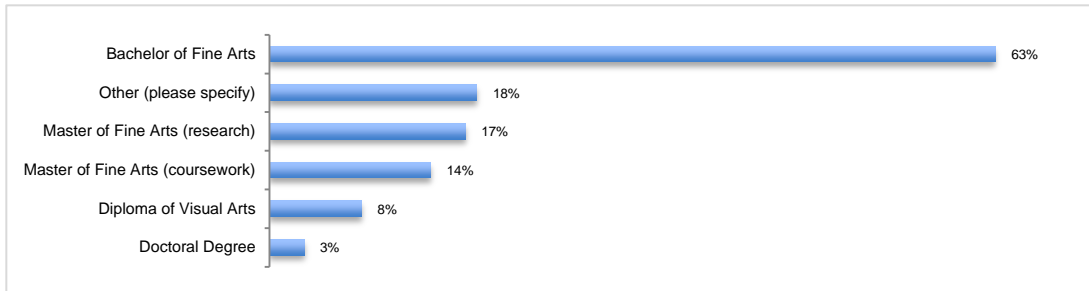
Total responses: 219

Table 11. Decade of graduation:



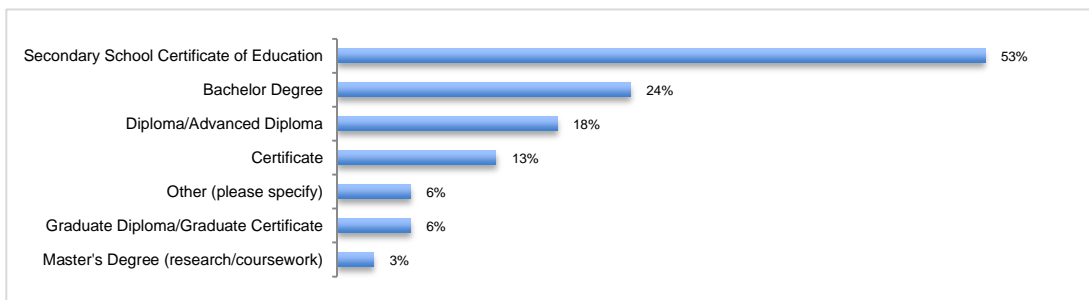
Total responses: 219

Table 12. Fine arts qualification awarded:



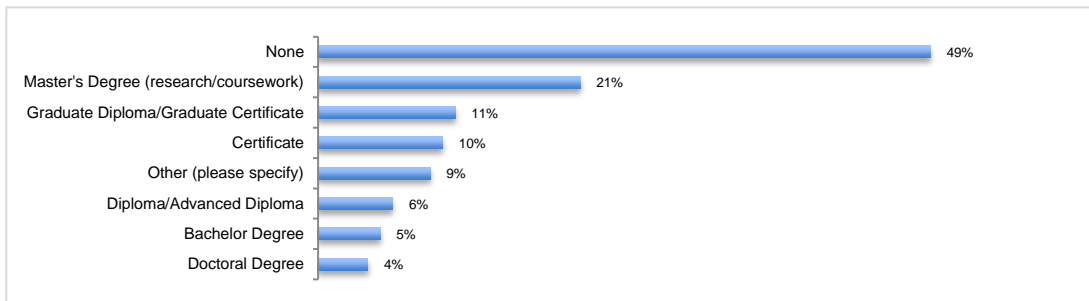
Total responses: 218

Table 13. Qualification(s) before starting fine arts course:



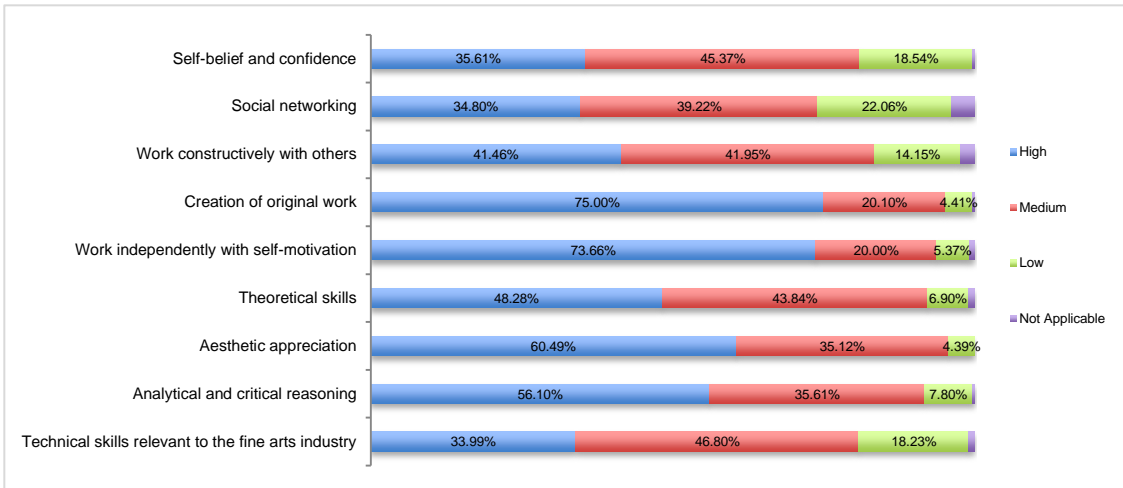
Total responses: 217

Table 14. Qualifications gained since leaving fine arts course:



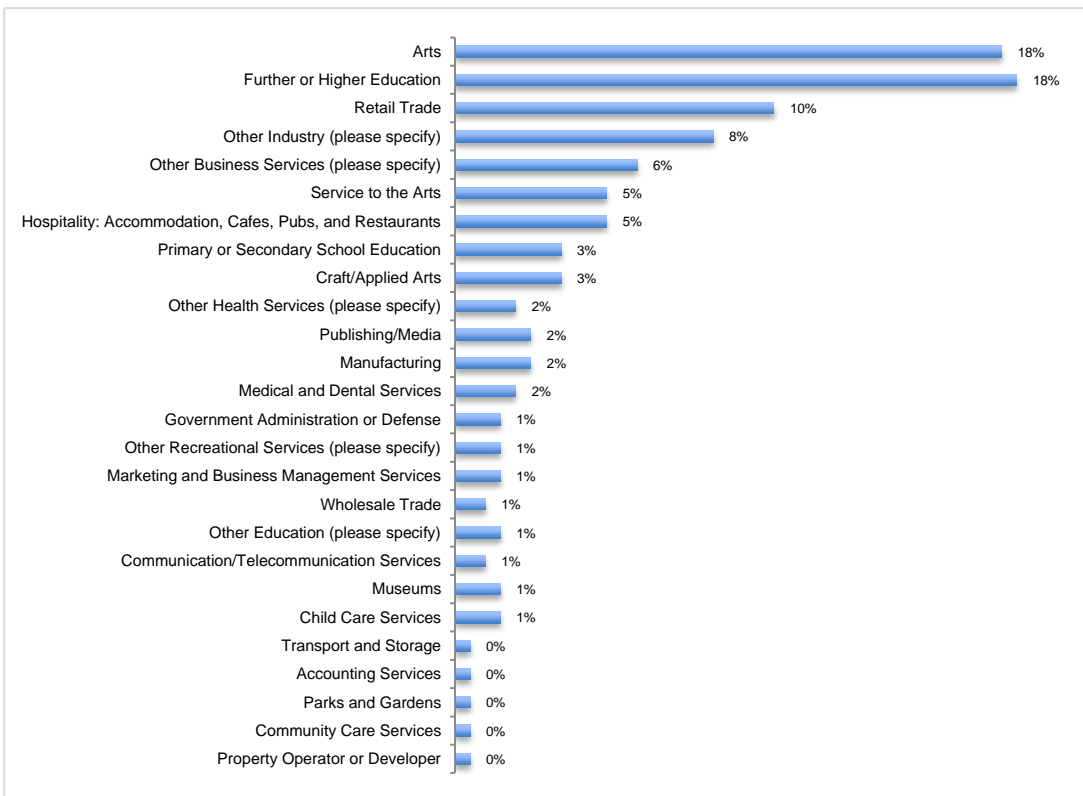
Total responses: 207

Table 15. During Fine Arts education, to what extent did you acquire the following skills and capabilities?



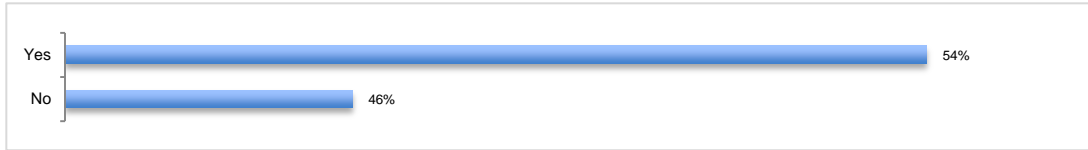
Total responses (average): 204

Table 16. Sector of current primary source of income:



Total responses: 202

Table 17. Is your primary occupation fine arts related?



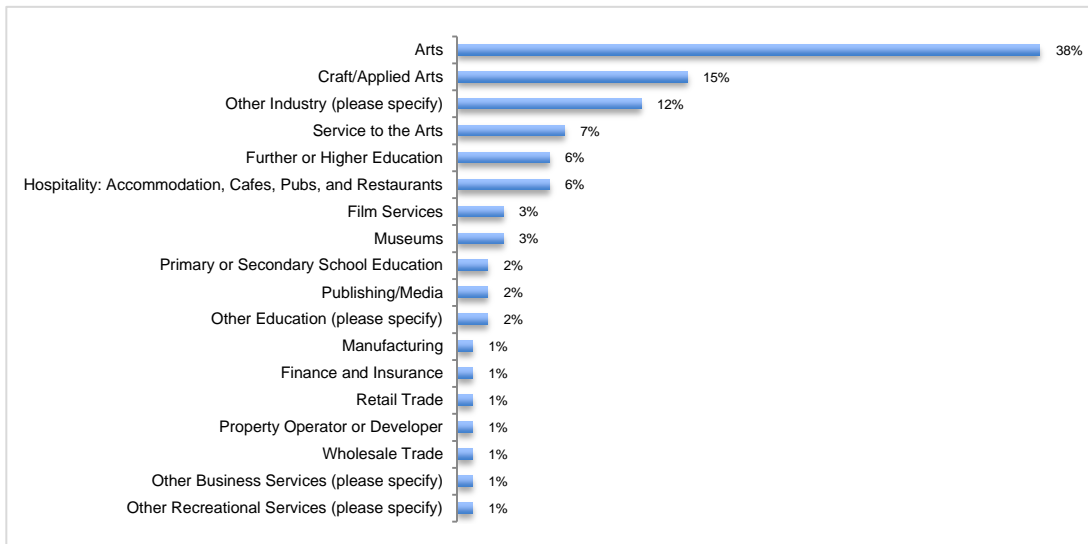
Total responses: 204

Table 18. Do you have a secondary source of income?



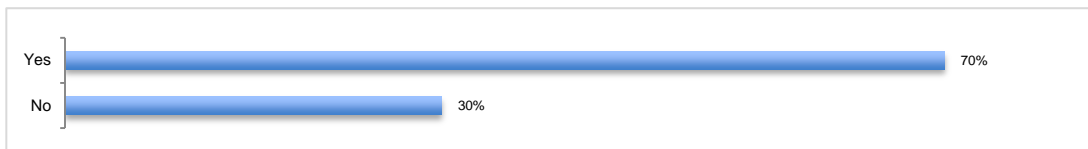
Total responses: 205

Table 19. Sector of secondary source of income:



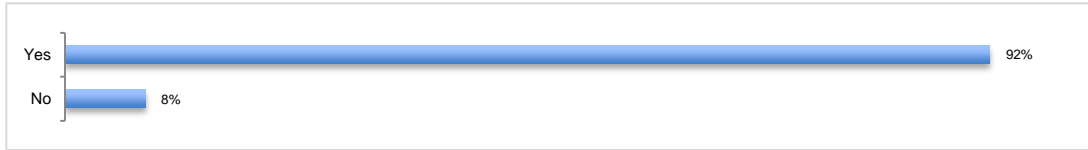
Total responses: 117

Table 20. Is your secondary occupation primarily fine arts related?



Total responses: 118

Table 21. At the commencement of your Fine Arts education, did you wish to become a practicing fine artist?



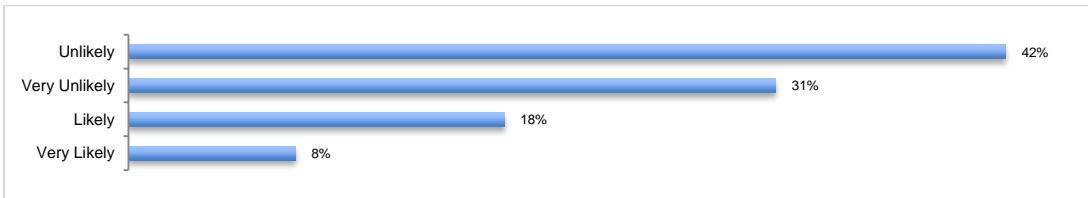
Total responses: 195

Table 22. How likely did you rate your chances of becoming a practicing fine artist?



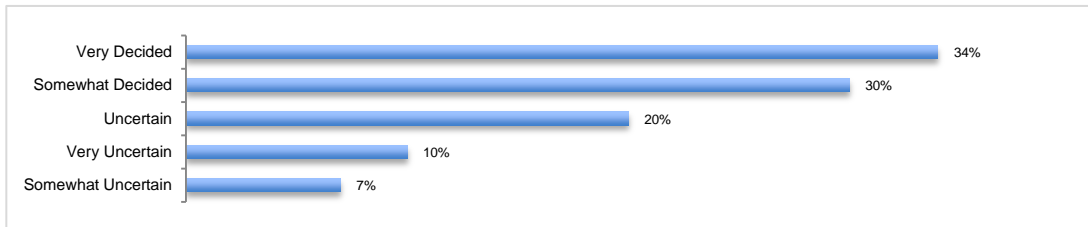
Total responses: 196

Table 23. How likely did you rate your chances of being a practicing fine artist as your primary source of income?



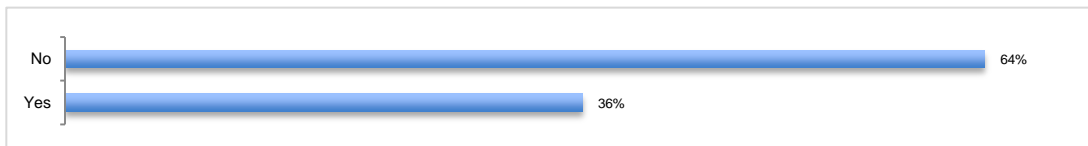
Total responses: 196

Table 24. During the course of your Fine Arts education, how certain were you of the occupation you wanted to pursue after graduation?



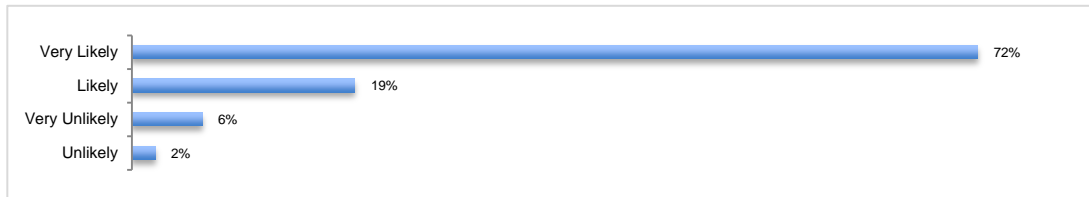
Total responses: 196

Table 25. Did you expect that the skills accumulated during the course of your Fine Arts education would be easily transferable to other industries?



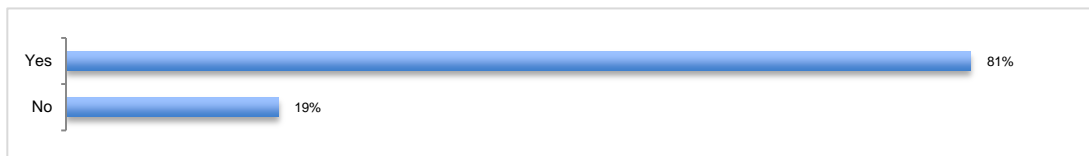
Total Responses: 196

Table 26. Before starting your Fine Arts education, how likely did you rate your chances of successfully completing the program?



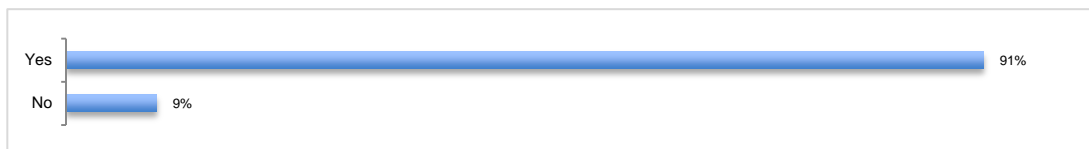
Total responses: 196

Table 27. Did that positive outlook influence your decision to commence a Fine Arts education?



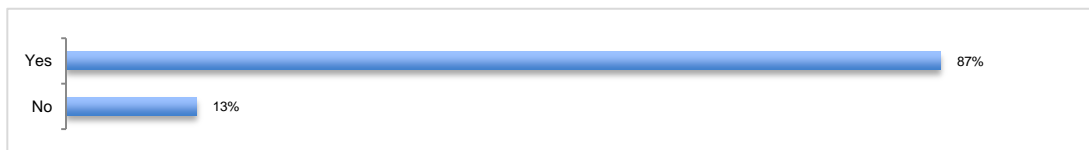
Total responses: 178

Table 28. Have you ever considered yourself a practicing artist?



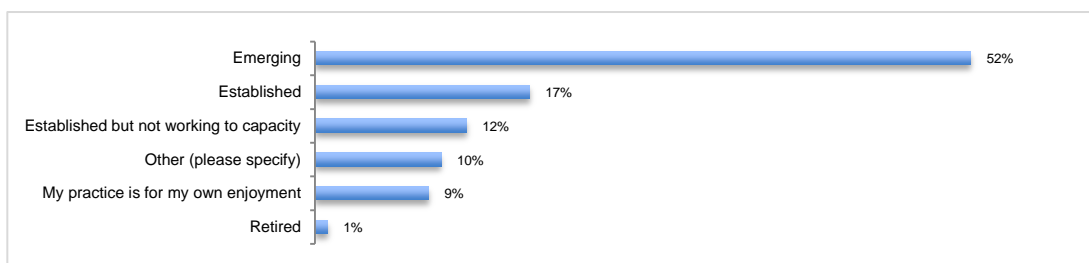
Total responses: 195

Table 29. Do you now consider yourself a practicing artist?



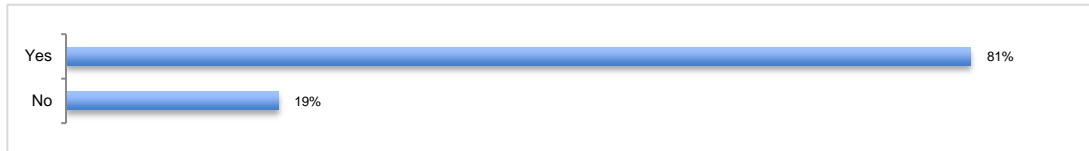
Total responses: 195

Table 30. At which stage are you at in your life as a practicing artist?



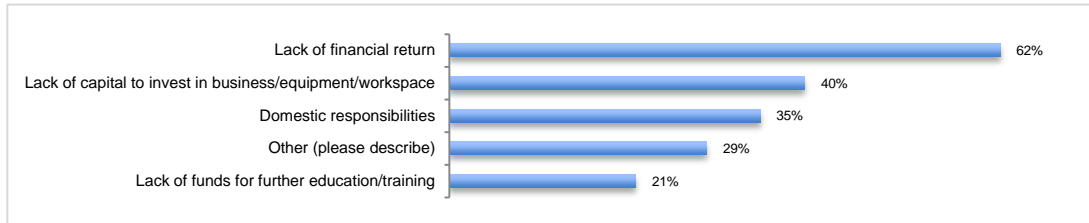
Total responses: 195

Table 31. Are there now, or have there ever been, any factors inhibiting your professional development as an artist?



Total responses: 195

Table 32. Please select all the factors that have inhibited your professional development:



Total responses: 156

Table 33. Which best describes the working style of your primary artistic practice?



Total responses: 193

## References

1. Abbing, H. (2002) *Why Are Artists Poor? The Exceptional Economy of the Arts*. Amsterdam: Amsterdam University Press
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