You can't export that! Export Veto for modern and contemporary Italian Art

Francesco Angelini[1], Massimiliano Castellani[1,2], and Pierpaolo Pattitoni[1,2]

[1]Department of Statistical Sciences "Paolo Fortunati", University of Bologna
[2]Rimini Centre for Economic Analysis

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Abstract

In Italy, since 1939 an export veto exists for artworks made more than 50 years before the sale date by artists who are dead at the time of the sale. The Italian bureau can decide to apply an export veto, forbidding the circulation of these artworks outside the Italian territory. Using original data from a hand-collected dataset covering all artworks made by dead modern and contemporary Italian artists, auctioned at Christie's and Sotheby's in London and Milan, from 2012 to 2016, we estimate a threshold model to consider the effect of the export veto Law while controlling for the potential presence of a sample selection bias. We found that, while artworks' price is increasing in the time span between their creation year and the sale date, this effect disappears for artworks sold in Italy and created more than 50 years before the sale date.

Keywords: export veto, home bias, threshold model
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1 Introduction

The globalization of the art market permits the circulation of artworks in many countries all over the world (Schulze 1999, Velthuis 2013, Velthuis & Baia Curioni 2015). But relevant artworks could be part of a country's historical and cultural heritage, and several national laws prohibit their export. This is the case in Italy, where since 1939 (law 1089/1939) an export veto exists for artworks made more than 50 years before the sale date by artists who are dead at the time of the sale. The Italian bureau (Ministero dei Beni e delle Attività Culturali) can decide to apply an export veto, forbidding the circulation of these artworks outside the Italian territory (Cultural Heritage and Landscape Code, Legislative Decree 42/2004). In particular, all artworks subject to protection as a result of a formal declaration of cultural interest, privately or publicly owned, can be forbidden to export for their particular importance for the historical cultural heritage of the Country; if the declaration of cultural interest has not yet taken place by a formal process of verification of their cultural importance, a temporary ban on the definitive exit from the national territory can be also established for artworks of an author no longer living whose execution dates back to over 50.

This institutional framework affects the art market (Onofri 2009), working as a home bias in trade for the presence of formal trade barriers along national borders (Wolf 2000, Obstfeld & Rogoff 2000, Hillberry & Hummels 2003, Castellani et al. 2012). In fact, nationality and country of residence have an impact on the success (and hence artworks' prices) of the artists in a certain country (Quemin & van Hest 2015). But is this effect the same for artworks for which this Law is applicable and for those for which is not? Does the Italian export veto affect the demand for Italian artworks when they are sold inside and outside Italy?[1]

We use original data from a hand-collected dataset covering all artworks made by dead modern and contemporary Italian artists, auctioned at Christie's and Sotheby's in London and Milan, from 2012 to 2016. This data allows us to consider how the export veto affects the price of the artworks of the same artist when his/her artworks are traded before and after the Law's threshold for what concerns the conditions on years from the creation to the sale date, considering also the artists' price trends in the same period in foreigner markets.

To answer our questions, we estimate a threshold model with endogenous sample selection that allows us to consider the effect of the Law while controlling for the potential presence of a sample selection bias.

We found that, while artworks' price is increasing in the time span between their creation year and the sale date, this effect disappears for artworks sold in Italy and created more than 50 years before the sale date. This could mean that the export veto not only crowds out the demand for artworks for which the export veto can be applied, but that this Law depresses the price as these artworks become older. This effect is not present in the sample of dead Italian artists sold abroad. Thus, the effect of veto export on price may discourage collectors and artists to respectively sell or buy and create artworks in the Italian market.

The remainder of the paper is organized as follows. In Section 2 we present the economic frame-

[1] The Italian export veto is applied only if the artwork is sold in the Italian territory and held by sellers who are located in Italy. However, Italian law provides for the application of a veto to artworks purchased abroad by Italian citizens but brought back to Italy after their purchase, allowing the public sector to keep the artwork in Italy if it is considered important for Italian culture.

work and Italian regulation of art market. In Section 3, we describe our data, variables, and methodology. Section 4 discusses the main results and concludes.

2 Export veto and the art market

Cultural goods can be considered parts of the cultural heritage of a nation (national patrimonial approach) or cultural heritage of humanity (cosmopolitan patrimonial approach). According to the first approach, the right of ownership of these goods can be limited by prohibiting their circulation outside national borders. On the other hand, following the second approach, the export of these goods cannot be prohibited by limiting their right of ownership. However, institutional barriers to trade can be established by law for the protection of cultural heritage. Historically, this type of legislation existed in Italy, France, Belgium, and Czechoslovakia since the first half of the XX century; in 2001, a Directive on the resale rights of artworks was implemented by the European Union (2001/84/EC), suggesting how to develop national laws on the topic for EU Member States. Other countries, such as USA, Canada, and China, do not have an ARR law at national level (for example, California has an ARR law), but some galleries autonomously pay a resale rights to their artists (Boicova-Wynants 2019).

Italian cultural heritage legislation governs the exploitation, conservation, protection and use of cultural heritage and its roots in the Law no. 1089/1939 "for the protection of things of artistic and historical interest" and in the Law no. 1497/1939 "for the protection of landscapes beauty". These laws introduce in Italy the ban on the export of certain goods, as well as the state pre-emption for goods subject to ministerial notification as they fall within the category of cultural goods.[2]

More recently, the Legislative Decree 1998, no. 112 entitled "Cultural goods and activities", introduces for the first time a precise definition of cultural goods.[3] Furthermore, article 17 of the Italian Law no. 88/1998 (par. 1) states: "If export damages the national historic and cultural patrimony, it is forbidden to export from the Italian Republic territory, those goods, which, according to Article 1 of the present Law and according to the Decree of the President

[2]Also article 9 of the Italian Constitution protects the landscape and the historical and artistic heritage of the nation, and the article 117 specifies the competence of the State and the Regions in the matter of protection and legislation of cultural goods.

[3]Article 148 (par. 1, letter a) defines cultural goods as "those that make up the historical, artistic, monumental, demo-ethno-anthropological, archaeological, archival and book and the others that constitute testimony having the value of civilization".

of the Italian Republic, no. 1409, 30th September 1963, and subsequent modifications, are characterized by a particular nature; or belong to a peculiar historical and cultural milieu; and are of particular interest from the artistic, historic, archaeological, ethnographic, bibliographic, documentary or archivist point of view". In other words, it is forbidden to export privately or publicly owned cultural goods if this damages the cultural and historical Italian patrimony (Onofri 2009).[4] What this law does is to literally introduce an export veto on cultural goods, which works as a barrier to trade and influences both the seller, through a limitation to the potential pool of collectors who can buy an artwork, and the heirs of the artists, if the conditions for receiving the Artist Resale Right are met (Candela & Scorcu 2010, Angelini et al. 2019). The seller must follow a complicated procedure to understand if he/she can sell cultural goods abroad; if the permit is not released, he/she can only sell it in the Italian territory.[5] On the other hand, in case a non-Italian buyer buys an artwork who meets the conditions for the potential application of the export veto, he/she could find himself/herself in the situation of being the owner of an artwork that cannot be brought outside the Italian borders, in case the export veto is applied (Figini & Onofri 2005). This potential situation would discourage foreign collectors to buy from Italian sellers in case the artworks they are interested in meet the conditions of the applicability of the export veto.

In cultural and law economics, several authors have studied the effects of export veto on artworks trade. Onofri (2009) studies the effects of the Italian export veto law on the prices of old master (from XIII to XIX century) paintings sold between 1992 and 2002. In her study, the author finds that Italian old masters' artworks sold in Italy present a negative price differential with respect to artworks by the same artists sold in UK or in Germany. At the same time, she finds that pieces by English school masters and German school masters sold in Italy present an even larger negative price differential with respect to artworks by the same artists sold abroad.

Steiner et al. (2013) analyse how barriers to art trade in a certain country influence the collections of that country's collectors, that is, they examine if home bias exists in art collections. The hypothesis supported by the data is that the tougher the trade restrictions in a country, the higher the home bias of its collectors, namely the share of pieces from artists of that country in

[4] Article 18 of the same Law (no. 88/1998, par. 1) states that the export is allowed for the object for which Art. 17 does not apply, but only after the competent authority has released a free circulation permit.

[5] See Onofri (2009) and Deloitte & ArtTactic (2017) (pp. 248-251) for an explanation of the various steps of this procedure.

the collections of these collectors. However, the openness is not computed explicitly considering laws that restrict trade, but as a ratio between the sum of exports and imports divided by the GDP of the country, a measure that could be also influenced by the demand itself.

Renneboog & Spaenjers (2015) test if prices and returns in the international art auction market is influenced by geographical segmentation, considering both law-related barriers to trade (as the Italian one) and demand-related effects (that may be due to cultural preferences towards artists with the same nationality of the buyer). They find that local factors' effect is lower for high-tier art, where an artist's quality is proxied by the length of his/her biography int he online encyclopedia Oxford Art Online. Local factors are however important for other segments of the market; for example, the Italian deviation from the global trend could be explained by the presence of trade barriers, while the Australian deviation by high transport costs (Karataş 2019).

This result is confirmed by Vosilov (2015) for the market of sculptures. The author finds that the average price is higher for sculpture sold in the home country of the artist compared to outside of it, and this effect is stronger for the low-tier segment of the sculpture market than for the high-tier one. The author attributes this home bias effect to familiarity and patriotism reasons, with the latter as a more persistent source of home bias than the former.

Karataş (2019) analyses the effects of the introduction of the Cultural Property Protection Act in Germany in 2016, a limitation of trade of old artwork which are deemed to be important for the German culture and history, similar to the one already applied in Italy and France. The author tests the presence of these effects by using a combination of hedonic regression and difference-in-differences method, to take into account the characteristics of the artworks when studying the impact of the law.

In general, what emerges from previous studies is that trade limitations such as the art export veto we are analyzing has important economic implications on the art market. While the origin of this kind of protectionism has to be found in a sense of national belonging and pride, the new laws that are emerging in countries which did not have any kind of export veto could be motivated by the growing internationalization of the art market due to the art globalization. On one hand, these laws have the aim of countering art globalization avoiding that important cultural goods all move towards richer countries; on the other hand, though, they also forbid the circulation of artworks and this strengthens the already existing home bias effect in the national art markets.

Export veto laws could, in principle, also mimic home bias effect and lead to wrong interpretation of art market results, blaming a home bias effect that does not exist when the real effect is due to the export veto law.

Another effect, besides the already mentioned potential issues for the sellers who see their market shrink due to the international trade barrier that hits the potential foreign buyers, is on the recipients of the Artist Resale Rights (ARR), for those artworks who respect the conditions for both the application of ARR and export veto (namely those artworks that are between 50- and 70-year old): for these artworks, if the market shrinks due to the export veto, the heirs who applied for the collection of the ARR could see their ARR reduced by the fact that a narrower market is likely to yield lower prices, and hence lower ARRs.[6] However, there could also be winners from this game, such as the public museums, which could buy artworks at a lower prices for their collections.

In the following we check if the price for artworks of the same artists present different prices depending on the applicability of the export veto, comparing the selling made in Italy and outside Italy for both artists whose artworks respect the conditions for the applicability of the export veto and those whose artworks do not.

This paper contributes to literature in several aspects. Our analysis focuses on modern and contemporary artists rather than on Old Masters as in Onofri (2009), with implications not only on the effect on the returns of the sellers and on the prices for the buyers, but also, as we hinted above, on the potential Artist Resale Rights that could be collected by the artists' heirs. The approach used by Karataş (2019) is the most similar to ours with respect to previous literature, but we allow for a continuous effect of the age of the artwork, since the price could react to the potential application of the export veto law even before the actual conditions of applicability are met. This hypothesis is indeed in line with the test done by Karataş (2019) when checking if the market reacted to the leak of the draft of the law, hypothesis that has been confirmed by the data. Besides the different country of focus (Italy vs Germany), our analysis aims at analysing the reaction to an expected application of a trade barrier (since the

[6]Note that, if the potential reduction of artworks prices is anticipated by the artists, the current value of the cash flows expected from the sale of their artworks decreases.

Italian law on export veto has non-recent origins), while Karataş (2019) studies the effect of an unexpected application.

3 Empirical Analysis

3.1 Data and methodology

To answer our research questions we use data about modern and contemporaneous artists' artworks sold at auction at Christie's and Sotheby's in Milan and London between 2012 and 2016.[7] The data was hand-collected from the official catalogues from the auction houses' websites (`www.christies.com` e `www.sothebys.com`): we first collected the full catalogues of the auctions, before the auction, and then we collected the official hammer price, after the end of each auction; this allows us to take into account also the artworks that were sold after the end of the auction, as well as buy-in-s. We also collected information about the artworks and the artists who made the artworks from various websites (`www.artfacts.net`, `www.artnet.com`, and `www.arsvalue.com`).

The variables we use in our analysis are: `Price`, as usual the natural logarithm of the hammer price (only when the artwork is sold); `Age`, the age of the artwork computed as the difference between the year in which the auction took place and the year of creation of the artwork; `Veto`, a dummy variable equal to 1 when the export veto is applicable (that is, when the artist that made the artwork is dead and the artwork was created at least 50 years before the auction); `Sold`, a dummy variable equal to 1 when the artwork has been sold at auction; `Italy`, a dummy equal to 1 when the auction took place in Italy; `Sotheby`, a dummy equal to 1 when the auction was hosted by Sotheby's; `Year`, a variable that represents the year the auction took place, with a range from 1 to 5, where 1 refers to 2012, 2 to 2013, etc.

Our dataset covers 980 artworks auctioned, of which 783 are sold, made by 44 Italian artists. We also categorized the "artwork material" in 18 types according to the technique, to the support, etc.

[7]In particular, our data cover the period between the 25/05/2012 to 24/11/2016. Notice that Italian law on export veto changed between 2017 and 2018, increasing the years from the creation of the artwork to the applicability of the export veto from 50 years to 70 years, and adding a condition of minimum value for the artwork to be considered as falling into the export veto conditions. See Law no. 124/2017, Ministerial Decree no. 537 of 06/12/17, and Ministerial Decree no. 246 of 17/05/18; see also Deloitte & ArtTactic (2017) and Pirri Valentini (2020).

Table 1 contains descriptive statistics of our main variables. The 51% of the items is subject to export veto, the 80% of the items auctioned is sold, the 62% of the auctions took place in Italy, and the 58% of the auctions hosted by Sotheby's. The higher number of auction lots was observed in 2015.

Table 1: Descriptive statistics

Variable	N	Mean	SD	Min	Max
`Price`	783	12.01	1.49	7.82	16.9
`Age`	980	51.14	15.40	2	119
`Veto`	980	0.51	0.50	0	1
`Sold`	980	0.80	0.40	0	1
`Italy`	980	0.62	0.48	0	1
`Sotheby`	980	0.58	0.49	0	1

Since the `Price` is only observed for sold items, a selection mechanism may cause a sample selection problem. To take into account this problem we estimate an endogenous selection model (Heckman 1979) that can be formally expressed as a system of two equations where the first equation is the endogenous selection (`Sold`) equation and the second equation is the `Price` equation (Castellani et al. 2018):

$$\texttt{Sold}_i^* = \mathbf{x'}_i\boldsymbol{\beta} + \gamma\texttt{Sotheby}_i + \epsilon_i \tag{1}$$

$$\texttt{Price}_i = \mathbf{x'}_i\boldsymbol{\alpha} + \varepsilon_i \leftrightarrow \texttt{Sold}^*{}_i > 0 \tag{2}$$

where γ is a parameter, $\boldsymbol{\beta}$ and $\boldsymbol{\alpha}$ are the vectors of parameters, $\mathbf{x}$ is the vector of observable variables, and ε_i and ϵ_i are the error terms. We assume the following joint distribution of the stochastic error terms:

$$\mathbf{E} \sim N\left(\mathbf{0}, \boldsymbol{\Omega}\right) \tag{3}$$

where $\mathbf{E} = [\varepsilon_i, \epsilon_i]$ is the vector of the error terms, $\mathbf{0} = [0, 0]$ is the zero vector, and $\boldsymbol{\Omega} = \begin{bmatrix} \sigma_\varepsilon^2 & \sigma_{\varepsilon\epsilon} \\ \sigma_{\epsilon\varepsilon} & \sigma_\varepsilon^2 \end{bmatrix}$ is the variance-covariance matrix.

In the endogenous selection equation, we model the propensity of artwork i to be sold, $\texttt{Sold}_i^*$, as a linear combination of several observable characteristics included in the vector $\mathbf{x}$. The variable $\texttt{Sold}_i^*$ is latent, but we observe the dummy variable $\texttt{Sold}_i$, which indicates if the artwork is actually sold, $\texttt{Sold}_i = 1 \leftrightarrow \texttt{Sold}_i^* > 0$. Otherwise, we do not observe the $\texttt{Price}_i$ when

$\texttt{Sold}_i = 0 \leftrightarrow \texttt{Sold}_{\texttt{i}}{}^* \leq 0$. If $\sigma_{\epsilon\varepsilon} \neq 0$, a sample selection bias exists, that is, OLS estimates of the mean $\texttt{Price}_{\texttt{i}}$ is inconsistent. A consistent estimate of the mean $\texttt{Price}_{\texttt{i}}$ can be obtained by simultaneously estimating the $\texttt{Sold}_i^*$ and $\texttt{Price}_{\texttt{i}}$ equations via maximum likelihood.

We estimate this model for both artworks sold in Italy and artworks sold abroad, to check for a difference in the behaviour of the prices with respect to the applicability of the export veto law. Furthermore, we control for artist name and artwork material fixed effects, and we take into account a possible non-linear effect of time. Formally, we use a threshold model to take into account the effect of the artwork age together with the veto effect on the artwork price, where a threshold value of age is used to identify a range of age values for which the price predicted by the model varies in some important way. In particular, controlling for a possible structural break around the fiftieth year, we expect a change (from positive to negative) in the effect of the age of the artwork once the conditions for the applicability of the veto law are met. The estimated models (one for the subsample with $\texttt{Italy} = 1$ and one for the subsample with $\texttt{Italy} = 0$) are the following:

$$\begin{aligned} \texttt{Sold}^*_{ijm} &= \alpha_0 + \alpha_1 \texttt{Veto}_i + \alpha_2 \texttt{Age}_i + \alpha_3 (\texttt{Veto}_{\texttt{i}} \times \texttt{Age}_{\texttt{i}}) + \alpha_4 \texttt{Year}_{\texttt{i}} + \alpha_5 \texttt{Year}_{\texttt{i}}{}^2 + \gamma \texttt{Sotheby}_{\texttt{i}} + A_j + M_h + \epsilon_i \\ \texttt{Price}_{ijm} &= \beta_0 + \beta_1 \texttt{Veto}_i + \beta_2 \texttt{Age}_i + \beta_3 (\texttt{Veto}_{\texttt{i}} \times \texttt{Age}_{\texttt{i}}) + \beta_4 \texttt{Year}_{\texttt{i}} + \beta_5 \texttt{Year}_{\texttt{i}}{}^2 + A_j + M_h + \varepsilon_i \leftrightarrow \texttt{Sold}^*_{ijm} > 0 \end{aligned} \tag{4}$$

In the second equation of (4), the price of the artwork i, made by artist j, and with material m, is explained by the age of the artwork, the applicability of the export veto, and the interaction between these two variables. We also consider as explanatory variables the venue and the year when the auction took place, the artist-fixed effect A_j, and the material/technique-fixed effect M_h. Since the time could have a non-linear effect, we also consider its quadratic term. The price is observed only when $\texttt{Sold} = 1$, so in the first equation of (4), we simultaneously estimate this variable by using the same variables of the second equation with Sotheby as exogenous explanatory variable which affects the probability of sale but not prices.

3.2 Results and discussion

From Table 2 we can see that the age of the artwork has a positive effect on price, and this does not depend on the applicability of the veto. In other words, an age effect exists and it's

Table 2: Estimated coefficients of (4)

	[1]	[2]
	Italy = 1	Italy = 0
Price **Equation**		
Age	0.03**	0.02**
	[0.01]	[0.01]
Veto	1.63*	0.88
	[0.93]	[0.61]
Age × Veto	-0.03*	-0.01
	[0.02]	[0.01]
Year	0.15	0.45*
	[0.20]	[0.24]
$\texttt{Year}^2$	-0.01	-0.06
	[0.03]	[0.04]
constant	9.02***	11.30***
	[0.74]	[0.40]
Sold **Equation**		
Sotheby	-0.76***	-0.31
	[0.13]	[0.32]
Age	0.01	-0.03
	[0.02]	[0.02]
Veto	0.94	-0.19
	[1.30]	[1.61]
Age × Veto	-0.02	0.00
	[0.03]	[0.03]
Year	0.62*	0.92***
	[0.33]	[0.35]
$\texttt{Year}^2$	-0.10*	-0.16***
	[0.05]	[0.05]
constant	0.95	-0.88
	[1.05]	[1.56]
Artist fixed effects	Yes	Yes
Material fixed effects	Yes	Yes
N	612	368

stronger in Italy than abroad. At the same time, a threshold effect exists when the export veto becomes applicable, and it changes the age effect from positive to null; this change is observed only for those artworks that are sold in Italy, so we can say it captures the effect of the Italian law on the Italian market.
For what concerns the selection equation, we can see that the dummy for the auction house Sotheby's has a negative impact on the probability of an artwork to be sold sold, but only for auctions in Italy. In the `Sold` equation there is no effect of the age of the artwork, neither for the Italian market nor for the international one.

These results are in line with the intuition that the introduction of the export veto law distorts the effect of time on the value of an artwork. This is because the artworks owner bears the costs of the protection and of trade barriers, decreasing the growth of the value with respect to the age of the artwork increases. A paradox is thus observed, since the law aims at protection of the artworks value but the empirical result is that this value is reduced by the effect of the law itself. At the same time, if the main purpose of the law is to prevent that the artworks which are considered important for the Italian culture going out the Italian territory, this law is likely to be effective in reaching this aim, even though the cost of intervention is entirely paid by sellers and private owners and the benefit is indirectly enjoyed by buyers and public owners. Furthermore, the aim of this law may conflict with the aim of ARR law which supports the artists' income with a fee on the selling price of the artworks of the artists themselves. Indeed the reduction of the growth rate of the price line with respect to age also reduces the potential income of artists and the economic incentives for artistic creation.[8] In the potential trade off between support for artists' income and protection of artworks, the latter seems to prevail over the former and the protection of old artworks could discourage the creation of new artworks.

4 Conclusions

The institutional framework of Italian art market (as well as it happens in other countries) is characterized by a series of laws that aim to create incentives to creation for Italian artists (such as the ARR law) and to protect the national heritage, avoiding the export of important

[8]So, until the 50th year of age, the rate of price growth of artworks sold in Italy is even higher than the one of artworks sold abroad, but after this age threshold the first growth rate becomes statistically not different to 0 while the second growth rate is still positive, with the same growth rate. Therefore, if this patterns of artworks price is anticipated by artists, the current value of the cash flows expected from ARR decreases.

artworks that are created and preserved in Italy. In this paper, we focus on the economic effects of export veto law, since it introduces a limitation to trade that may affect the sellers' and buyers' performance, as well as interact with other laws which support the artists' income (such as the ARR law).

The export veto law effects have been studied by several scholars in the economics literature, such as Onofri (2009), who focused on the Italian export veto of Old Masters and its effects on prices, and Karataş (2019), who studied how the German art market reacted to the introduction of an export veto. Our contribution to this literature is to consider Italian contemporary and modern market and how the Italian export veto law affects artworks prices, considering a continuous effect of the artworks age on their prices that allows us to study the dynamic of price overtime with respect to the age threshold related to the applicability of the veto.

To do so, we implement an endogenous selection model with a threshold, using data from auction held in Italy and abroad of both sold and unsold Italian artists' artworks. We find that an age of the artwork effect exists and positively affect the price independently on where the auction took place, but the veto effect exists only in Italy, and it brings to 0 the age of the artwork effect. In other words, artworks sold in Italy that meet the conditions for the applicability of the export veto has a lower auction value as their age increases if compared with the growth of the prices of pieces sold abroad.

The Italian law on exports of cultural goods may create then a protection paradox, since on one side it is aimed to protecting the Italian heritage by avoiding that it exits the country, but on the other hand it creates an incentive to export the artwork before it meets the conditions for the applicability of the law, since the positive effect of its age remains positive outside the Italian national territory.

An important institutional innovation by new laws and decrees updated the legal issue we study influencing the market. Starting from 2017 (see Law no. 124/2017, Ministerial Decree no. 537 of 06/12/17, and Ministerial Decree no. 246 of 17/05/18), Italian law introduces a minimum value for the export and increasing the condition related to the age from the creation to the sale from 50 years to 70 years, reducing the severity of the problem of the distribution of the ARR to the heirs of the artist. In particular, for the application of the export veto the artwork must be created at least 70 years before the sale date, among other conditions, while for the ARR to be collectable, the artist must be dead less than 70 years before the sale date: this reduces the occurrences of having a veto-ed artwork for which the ARR is still collectable, with respect to the before-2017 law, but the issue is still not completely solved (an artist could have created an artwork 72 years before the sale and have dead 4 years later: in this case, the condition for the applicability of the veto law related to the age of the artwork is met, and at the same time the ARR can still be collected by the heirs). Furthermore, a potential trade off between support for artists' income and protection of artworks remains unresolved.

A future analysis could focus on how the change of the conditions of the applicability of the art export veto in Italy affected artworks prices created between 50 and 70 years before the sale date, as well as on which are the implications of the change of the law on the total ARR collected by the heirs of the artists. In particular, the effect of the law innovations on artists' income could be verified and one could test the effect of this hypothesis on the creation of new artworks.

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