

The Rare Book Market Today

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Is it possible to be an optimist and a pessimist at the same time? If so, mark me down in each column. On the bright side, I think that what has now been dubbed The Great Recession has had far less effect on the rare book market than on many other areas of the economy, or of the larger art and antiques market of which it constitutes a small sliver. News of its demise is greatly exaggerated, and this year has been a far better one than many of us might have predicted last October: the market in rare books is healthy and functioning. On the dark side, I see larger systemic problems, primarily on the lower end of the scale of rarity and value, which will shape its direction and imperil its health in years to come. These generally have little to do with the immediate state of the economy and more to do with modern taste and technology. Many of these issues were already factors in the marketplace in boom times, but their direction is perhaps more fully revealed in the current economy. It is important to distinguish between the immediate problem and longer-term trends, and which parts of the market are affected by them.

In this exceptionally wet year many of us have noticed the phenomenon that it may pour on one side of the hill and barely sprinkle on the other. The first thing to understand about the current rare book market is that it is a collection of mini-, micro-, and micro-mini markets, each with its internal dynamic and players among dealers, collectors, and institutions. As many of you know, I am an expert in printed Americana. I've been an active dealer for thirty-five years, and, I think I can say, the leader in that narrow field for half that time. At this point I have a pretty good idea about my side of the hill, but I may have a very different experience than my colleagues Priscilla Juvelis or Tom Congalton, although we're in the same profession. This is a reflection of what's been going on for decades in the rare book business: the trend since World War II away from general open shops in urban centers toward specialists working by appointment, often remote from large cities. Besides Americana, I deal in travels and voyages, early natural history, historical photography, and American cartography. I see in each of these fields a distinctly different, though frequently overlapping, constituency.

It doesn't take too many players, in these niches, to make each market spin; indeed, it only takes few extra in each little world to overheat it, a few less to take it off the boil, or the intercession of a single major player to wreak havoc. Those of you interested in early printed books will know that a European collector attacked the incunable market with great resources and enthusiasm several years ago, only to sell many of the books as rapidly as he acquired them because of personal financial reverses. This made for a very bumpy ride that really had nothing to do with underlying value. Specialization gives dealers a greater command of their expertise, but it also leaves them with an undiversified portfolio, so to speak, and diversification is always a prudent thing. I can say

unequivocally that the corners of the market where I spend my time have remained quite healthy and strong—at least so far.

The dealer Richard Wormser observed decades ago that rare books were becoming scarce. The one big thing to know about most areas of the antiquarian book market—with the possible exception of modern literature—is the scarcity of material. Good books are hard to find, at least for sale, because the extraordinary boom in institutional collecting after World War II moved most of the float in the market from private to public hands. This trend continues, although at a reduced rate, as institutional budgets have contracted, and as some institutions—mainly small and medium-sized public libraries—decide to get out of the business of holding antiquarian books entirely. Whether that net flow reverses itself in an age of digitization and strained resources is a huge issue for all of us, as vendors, holders, donors, and scholars. Without touching that tar baby of a question further, nothing in the short- to mid-term is going to change the scarcity issue. Any time a truly first-rate thing has come into the market in the last year, the troops have turned out of their bunkers and it has set a record price. In my field, the two A-plus things to come up for auction this spring—the Paul Revere engraving of the “Landing of British Troops at Boston,” at Northeast Auctions; and the third known copy of the first Franklin almanac of 1733, at Sotheby’s—both commanded very strong prices with numerous competing bidders. There are no problems with best material—and that’s true throughout the antiques world.

One thing we have not seen much of is forced selling—people being compelled to liquidate their book collections to raise cash. There undoubtedly have been a few instances of this, and my company bought a small collection under what seemed like such a situation this summer, but in general it hasn’t happened. I confess I’m surprised by this; I expected more material to be pushed into the marketplace. Instead, the opposite has happened: people who have collections are holding them, and the amount coming on the auction market has dropped drastically. Why aren’t we glutted like the real estate market? First, I’ve always believed that book collectors tended to be less subject to whim than other areas of antiques. Through repeated market cycles, the price of rare books in general has risen less rapidly than art in boom times, but held value better in busts. It’s less fashionable, but more consistent. Second, books are easier to hold onto than some other assets, like an expensive second home—compact to store and without on-going expense. Third, and mainly, it’s become clear that virtually anyone who has collections and not been forced to sell for the classic “three Ds” of debt, divorce, and death, would prefer to sit it out and wait for better times. This has hurt the auction houses, who live on volume, much more than the trade.

Indeed, sitting it out is what a number of people have done, neither adding to their collections nor thinking of disposing of them. They are on the sidelines for now, but they will be back. Their interest hasn’t gone away, but they would like to know what this year’s bonus is before getting back in. At the same time, there are plenty of collectors who don’t feel so poor, and even some new ones who have come on strong in the last year. Some people may have more money in cash

earning very little interest than they have ever had in their investing lives. When the threat of inflation looms, tangible objects have always looked like a good hedge, even if they are less fungible. I'm not suggesting that investing is the primary driver, but clearly books and other rare tangible objects look like a safer bet to a lot of people than real estate or the stock market.

This is my fourth recession in the rare book business. I started in the trade in 1975, in the midst of stagflation. The 1981-82 period was difficult for the trade, but I remember it more as an era of great opportunity, with such auctions as the Sonneborn sale, and a time when the extraordinary strength of the dollar made buying in Europe a field day for a few years. The '91-'92 recession was the hardest for my particular business because of the specialist problems I alluded to earlier: my three best customers were all Manhattan real estate investors, and they stopped dead in their tracks at the same time. It taught me to diversify. 2000-2001 was barely a road bump in the rare book market, although my then-best customer ceased to collect—he still has his great collection, but has not added to it. By then I was sufficiently diversified that it didn't hurt too much, and I suppose the same is true today. So far we are on track to sell as much this year as we did in 2007 and 2008, although we may have worked a little harder to get there. And this time the exchange rates are helping many American dealers to sell back to Europe. The one-way ticket of rare books into the United States that has prevailed for more than a century is over, to the temporary aid of American dealers—at least until we have to replace the stock.

My experience is not universal in my field. I have the advantages of seniority, liquidity, and a deep stock. I know that many of my colleagues have had a tougher road. But books are being bought and sold, new collectors have entered the market even in the last year, and many of the sideliners are getting back into the game. Recessions come and go, and this too must pass. The problems I see ahead have less to do with last year's bust than longer-term systemic ones, now thrown into stark relief.

All booksellers are divided into three parts: new, used, and rare. The dividing line between the first and second is very clear; between the second and third it is often blurry, and they are the only two that concern us. Over the last decade the used book business—the low end of the rare trade—has been utterly transformed by the Internet, generally to its detriment. Beloved stores have closed, stocks have been devalued, and livelihoods lost.

The demise of the great used book stores began in the 1960s, with the closing of the great urban shops such as Leary's in Philadelphia or Lowdermilk's in Washington, and continued with the crumbling of the Fourth Avenue stores in New York in the 1970s, and the end of shops such as Kaye's and Publix in Cleveland in the 1980s. Despite this, the used book business remained a decent living in many places, and essentially the only way to find out-of-print books. It was also an incubator for collectors, who cut their teeth browsing in such stores before moving on to rarer delights. Similarly, it bred important trade specialists who straddled the used/rare line in areas such as art history. All of these dealers

had an incentive to gather in and sort out material and offer it in their shops. With the practical advent of the Internet as a bookselling tool about 1998, everything changed. The barrier to finding an out-of-print book dropped to a simple search, and the barrier to entering the used book business dropped to signing on to one of the websites. Today Advanced Book Exchange, to take the largest, offers something like seventy or eighty million books through about 10,000 vendors. I guarantee you the world does not contain that many skilled rare book dealers.

All of this has been great for the buyer. Prices quickly dropped off on regular out-of-print books—to the point where the profit may lie in overcharging for the postage—and a book that formerly took search or luck to turn up can be found immediately. Open stores can seldom compete on this now leveled playing field with sellers who have virtually no overhead. As a result, many more used bookstores with a foot in the rare trade are going—Cody's and Moe's in Berkeley being the most celebrated closings. This is a huge cultural loss, and true hard times for the people who made a living at it. I'm no Luddite, and the fact is if you know what you want in out-of-print books, you can get it cheaper, better, and quicker than you could before. If you aren't sure what you wanted, but hoped to learn from a bookstore, you're increasingly out of luck. Herman Melville says in *White-Jacket* that the best books are those we stumble upon rather than seek out, books that “pretend to little but abound in much.” Despite a fancy education I learned most of what I know in used book stores, and I'm sorry to see them go.

The further one ascends in rarity and such concerns as condition, provenance, and the like arise, the less the Internet has changed the business. While online sales are now a significant factor for all of the trade, few truly rare or expensive books are being sold blind, ordered out of the blue by previously unknown buyers. The Internet is a very effective advertising tool, but once the transaction moves into five figures, almost everyone wants to have some discussion with the bookseller about the who, what, and why of the book.

In short, the rarer and more valuable the book, the more the specialized knowledge of the trade is valued, and the more experience and memory provide a context for unique material. The rare book business is healthiest at the top, with great rarities, and on the esoteric sides, in specialized areas that require deep knowledge of inherently rare material. In the age of the Internet one has to have the best, the cheapest, or the only copy. Specialized knowledge of readily available books has been largely degraded.

This is not good for the long-term health of the trade. Fewer young people are entering the business, and the difficulties of building a professional career are, I think, much greater than they were. A substantial part of new entrants to the business are second careerists, and while this certainly doesn't preclude their becoming skilled dealers, it does leave their business without the long view of experience the lifers have. For collectors, the traditional path of working up from used to rare material will increasingly be done on-line. The market will certainly learn new tricks, but the old style of used book store will soon be found only in

the smaller university towns, with low rents and a high percentage of readers. The survivals in big cities will depend on owning the real estate.

Perhaps the biggest question facing all concerned is what kind of market the rare book business caters to. Are we in the information market or the antiques market? Are we selling access to data or charming artifacts? And to whom will we sell them?

At the beginning of my career there was no question that we were selling both at once. Yes, there were large microfilm and reprint projects, but these seldom came close to the heart of the rare book business; they tended to focus on newspapers, scholarly journals, and similarly bulky items. Institutions were still the largest consumers in the market, and some dealers geared their businesses entirely to their needs. The surrogate information platforms simplified storage and spread data, but they were no easier for the scholarly user. Indeed, we now look back on some of these projects and are appalled at the sloppy manner in which they were done.

It is only in the last five years that the digitizing of data on a massive scale has become possible, and it now proceeds at a rapid rate. Google's projects, combined with other public and private ventures and keyword searching, have utterly revolutionized research. How many people in this room recall spending hours searching for one clue that can now be found in fifteen seconds? The information value of rare books is melting like the polar icecaps. The subscription costs of many of these projects are hugely expensive, and will take up ever greater segments of institutional budgets. In general, it will mean less and less institutional money spent on used and rare books. It may not affect the behavior of institutions committed to being holders of record, such as those on our library panel today, but it will greatly affect many smaller institutions.

All of this will continue a trend underway since the early 1970s, now recognizable as the apogee of institutional buying in the rare book market. A greater percentage of the dollars spent buying rare books will come from private collectors buying objects and less from institutions buying information. There is nothing wrong with this, but it will change patterns of what is being collected and what is salable. In general, the great post-war institutional boom greatly expanded the range of material considered collectable. As the pendulum swings back, some areas of rare books will have smaller constituencies.

Other areas of the current market will be little affected by these trends. Color plate books, *livres d'artiste*, atlases, and other major illustrated books have always been collected mainly as objects, and primarily sold to private collectors. These are all areas where the artifactual appeal trumps the informational. Once again, the rarest and best material and the esoteric edges will fare the best. But what about the "standard" out-of-print book which retails in the two or three figures, with twenty copies listed online, the text of which can be found on Google? It will become much harder to sell.

From all of these musings I am optimistic and pessimistic at the same time. I am confident that this recession will pass as others have, and that the

marketplace in rare books will recover along with other antiques markets. Indeed, I think the rare book market has fared better than most things in the last year. That seems to me a short-term concern. Far more worrisome are the loss of used bookstores which were incubators of collectors and centers of culture in their own right; the transformational effect of the digital age on buying patterns; and budgetary crises in institutional libraries which will reduce their role in the market. As we look at the market today, let us distinguish what is short-term malaise and what is a long-term trend.

One thing I am sure of: people will continue to be drawn to the beauty and romance of rare books, and that as long as there are collectors, there will be a market. I hope myself and my colleagues in the trade can do our part to keep it vibrant.