



Does the Art Market Protect the Superrich?

In early January 2022, the *Süddeutsche Zeitung* informed us that the art market protects the superrich. This statement was followed by an article conveying widely known information about changes that have occurred in recent months. **Despite the headline, no details were provided as to the nature of this “protection” or who the “superrich, investors and anonymous collectors” might be.** In 1979, the possibly frustrated sculptor Jürgen Weber wrote his book “Disenfranchisement of the artists. History and modus operandi of bourgeois art institutions.” Behind pathbreaking European groups of the early 1960s like *Zero* and *Nouveau Réalisme*, he saw a cartel of museum directors and gallery owners, because for him both art movements were “totally artificial and born only from the realization that the old ways were no longer selling.” He was unable to prove his statements. Ten years later, Otto Karl Werckmeister, for many years professor of art history at the *University of California* in Los Angeles, wrote a book titled “Citadel Culture: the fine art of doom in the culture of the 1980s.” It was intended as a polemic, a call for a culture that breaks out of “its self-created fortress.” Werckmeister obviously situated himself outside the citadel. Every decade is familiar with a perhaps strange but actually rather common division of societies that takes place not only in the art scene. **There are critics who feel that they belong and others who feel left out. Consequently, they write “for” or “against,” rather like the glass of water that is perceived to be half full or half empty, depending on the viewer’s disposition.** The question of why large sums of money are repeatedly conceded in the art market already tends to arouse a sense of manipulation or even abuse of power. Such whisperings are endemic. In the *Süddeutsche Zeitung*, the old argument of “lack of transparency” was pulled out of the hat, along with the news that “even in the auction room” buyers and sellers remain anonymous. But where, in what market, do we find the names and perhaps even the addresses of people involved in the trade? Before buying a car, am I obliged to alert the journalists? Should my name be made public as soon as I have bought an apartment or a house? As we all know, the names of individuals involved in a business deal are almost always known, but does that mean they should be publicly announced? One fact that is hardly ever mentioned in texts on this subject is that since 2019, cash payments have been virtually ruled out in the art market, both in Europe and the USA. For purchase prices of € 10 000 or \$ 10 000 or more, buyers are required to present an identity document with their home address. Furthermore, the purchase price must be withdrawn from the buyer’s account.

Urs Fischer:
Bruno and Yoyo, 2015
Paraffin wax,
microcrystalline wax,
encaustic pigment,
oil paint, steel, wicks

Edition of 2 (1 AP)
148 × 159.7 × 137.5 cm

The work was presented
during the opening
exhibition of Vito Schnabel’s
gallery in St. Moritz

Whose business is it, aside from the tax office and the persons engaged in the transaction, to know the buyer's name? And is it only the rich who are protected when money laundering becomes impossible? The changes that have occurred as a result of the pandemic are primarily of a different kind, and there has been much development with regard to transparency. **Since 2020, following a period of great uncertainty, the market has shifted in the direction of auction houses. This happened because of their radical digitization, a huge investment, to which the big galleries have followed suit.** It was this change, after all, that saved the art market in the summer of 2020, for without it, acquisitions would have hardly been possible. Naturally, the auction houses regard that necessary expense as an unequivocally positive factor: they are proud of having brought 2021 to an overall highly satisfactory close. Outside investors who fared less well during the last two years grumble about having been cheated and perhaps sidelined. We have here a development that roughly corresponds to what we see happening around the world in relation to companies like *Amazon* or food delivery services. I order something online, and the retail trade or a restaurant's service staff suffer a loss. **The canceling or postponement of customary museum exhibitions as well as art fairs due to the pandemic, as happened recently in the wake of the December 2021 *Art Basel Miami*, results in great financial loss; this is the flip side of "record prices."** It is not only the exhibition companies, but also municipalities with their hotel industry and restaurant business, along with an almost uncountable number of artists, that are experiencing the loss of essential sales possibilities. The question now should be how private museums, especially in the United States, can cope with this quite considerable economic pressure. **Most probably, here too, "super-rich" individuals are operating behind the scenes to prevent institutions from being shut down.** The same pressures impinge on trade fairs: consider, just for the moment, the *Boat* show in Düsseldorf with its projected 1,550 exhibitors, which was canceled for January 2020. But anyone who buys a boat is probably not "transparent" enough either. If every boat owner painted his name, email address, and cell phone number on port and starboard, we would finally know whether it really is Roman Abramovic who keeps mooring his vessel at the *Venice Biennale*. Perhaps it was merely a rumor in recent years that the main reason for his appearance there was to show off a particularly expensive yacht. In 2022 and in the foreseeable future, there will be no art without large sums of money. Strictly speaking, it never existed without liquid assets, in the double sense of affluence and of abundant love for the matter at hand, with all the risks that are entailed.

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