



Art as Investment Today

Ai Weiwei:
Untitled (After Seurat)
2021, 190 × 304 cm
(detail)

The work created with LEGO pieces is based on George Seurat's pointillist painting "A Sunday Afternoon on the Island of La Grande Jatte" (1884–86) in the collection of the Art Institute, Chicago

There is no such thing as “the” art market, just as “the” stock market does not really exist. Similarly, it is incorrect to say that the market is “non-transparent.” Instead, what we have are separate markets that are practically distinct fields of expertise. In all fields, knowledge is indispensable. For a long time, a separation between “Old Masters,” “Impressionist & Modern,” and “Post-War & Contemporary” was prevalent in the art world. In addition, we had and still have “Evening Sales” and “Day Sales,” as well as, for those inclined to travel, ten to more than fifty art fairs a year. The problem with the Old Masters is that major works are only rarely sold any longer. They belong to museums or really stable private collections. Works of this kind that are still put on offer at auctions are of interest only to a small circle. They are often of lesser quality and cannot be understood without art-historical expertise. **The observable trend among the Impressionists and Moderns is that the work of women, which was undervalued for well over a hundred years, is now significantly outperforming art by men.** Who would have thought before 2014 that works by Georgia O’Keeffe or most recently Tamara de Lempicka would command sales in the tens of millions? Here the merchandise is not as scarce as it is with the the Old Masters, but the supply is nevertheless limited. In Post-War Art we find that, while the market for works by Pollock or Wols does almost not exist, alternative names can provide new and positive performances. Pierre Soulages, who is still alive, and Helen Frankenthaler are prime examples of this development. Nothing by these artists can still be considered “reasonably priced.” One artist who straddles more than one of these fields is the Surrealist René Magritte, who basically belongs in the “Modern” category but recently achieved auction records amounting to \$79 Million with works that were mostly created in the 1950s and 1960s. For a long time, Andy Warhol’s works sold so well that at times they even surpassed those of Pablo Picasso. **Today it is the contemporary artists, Jean-Michel Basquiat foremost among them, who dominate the market. We know this. But this knowledge is no longer sufficient. The entire canon, including its division into epochs, represents a traditional Western view.** Hardly any auction in Hong Kong today can succeed without Yoshitomo Nara or Takashi Murakami. Both of these Japanese artists represent the dominance of the contemporary, but it is only there that they enjoy extraordinary success. Likewise, trade in Zhao Wou-Ki’s work has achieved impressive successes in Asia since 2019, with some of his works selling for up to \$65 Million, although he is hardly known in the West.

The recent auction of a “Marilyn” painting by Warhol for a hoped-for \$200 million or above seemed shaky and weird, with only one paddle lifted, that of Larry Gagosian. We don’t know if it was a sale or just a pre-arranged deal. The established greats are showing signs of fading. In this newsletter, we have frequently written about the increased role of women and people of color in the arts, both as producers of art and as collectors, and also about the art of Africa. The key word was and is “diversity.” **These new forces have given rise to new, almost separate, exciting markets. Diversification has led to associations between previously unrelated cultures and distant historical epochs. It is also a cause of alienation.** It is not unlike the unpredictable ups and downs of the stock-market. We are less and less able to speak of “one” human culture. No one speaks of BRIC nations any longer. Someone interested in Albert Anker, the Swiss painter of children and rural scenes, most definitely does not invest in NFTs. Anyone who visits *documenta fifteen*, organized by the Indonesian artist group Ruangrupa, which wants to develop a new sense of community, will hardly bid on Francis Bacon’s or Gerhard Richter’s works. What passionate collectors of “Contemporary” art still love Titian or Rembrandt? At this year’s brilliantly curated *Venice Biennale*, we were delighted to see that 90 percent of the artists on show are women. Here, too, the emphasis is on the contemporary. If you visit Kassel by September 25, 2022, you will no longer find a focus on individual artists; the idea, instead, is “Nongkrong”, a space for “hanging out together.” That space is designed as a “Lumbung,” a rice barn: the emphasis is on commonality. “Almost everything at this *documenta* is handcrafted; it is not meant to look perfect,” writes the press, with the reassuring addendum, “you needn’t find everything bad, either.” We are used to the opposite, polarizing effect of art sales in the tens of millions of dollars. **Intellectually and morally, we are definitely in favor of diversity. But physically and psychologically, we see a limit. Today, “investment” in the field of art initially implies contemplation, which you won’t find in Kassel because of a number of antisemitic works. Our main message is: The old “blue chips” are giving way to the new at a rapid pace. Who am I, we should therefore ask.** Where do I come from? Where am I going? What is my real interest? We would do well today to make a smart investment in our own life. Allegedly, at a dinner, former US President Franklin D. Roosevelt told the initially sweet story of a teacher who asked a question of her class: “Who wants to go to Heaven?” All but one little boy raised their hands. “What’s the matter, Johnny,” the teacher asked, “don’t you want to go to Heaven?” “Sure,” he answered, “but not with them guys.”

DR. THOMAS KELLEIN
Head of Art Consult
thomas.kellein@bergos.ch

This publication is for information and marketing purposes only. The provided information is not legally binding and neither constitutes a financial analysis, nor a sales prospectus, an offer for investment-transactions, an asset management mandate or an investment idea and does not substitute any legal, tax or financial advice.