

Eötvös Loránd University
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Thesis

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How to make two bites at a shark
or
art dealing as the mean of value adding

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This dissertation – as far as I know the only academic writing this topic – is dealing with some interdisciplinary problems of art-dealing that at some points coexists with the discipline of aesthetics (especially in connection with “value”, value adding and value-definition). The main problem is how the object of art market influences the value of a certain piece of art by the mere fact that it appears on the market, in a gallery or at an auction.

The framework of the dissertation is based mainly on Damien Hirst British artist and Charles Saatchi London based art dealer-gallery owner shared success the focus of which is Hirst’s legendary shark (to be more precise, nowadays there are sharks) floating in formaldehyde. Obviously there are several other global and Hungarian examples are mentioned to prove my hypothesis.

As an introduction the changes that have occurred in the traditional way of evaluating are shown – both from the “professional” and “audience” point of view of - the objects of art since the first half of the 19th century (1830, Jean-Marie-Fortuné Durand) when the first galleries sprung in Paris, and thus a new evaluating standpoint was created, not without the influence of the press, that is the price of the piece of art work became one of the most prestigious measure of value, what is more, for the general public it has almost reached a fetishist state.

Here the basic example is the auction history of Millet’s ‘Angelus’ which was referred to not only by Ady and Rippl-Rónai but by Van Gogh in his letters to his brother, as well. There are some who say that Van Gogh’s suicide might be in connection with this story.

Hence we have arrived to the statement that nowadays in the market of art, “everything is art if it brings money” (Judith Benhamou-Huet).

Next the methodology defining the framework of the dissertation will be discussed. The first question is why almost solely public auctions, and auctions of paintings are reclined upon, and also those professional problems are tackled – the lack of limit price in Hungary, false biddings, fictive sellings – that influenced the scope of my research. (However this is the place where private sellings and buyings are mentioned together with the role of the press which often is more confusing than not.)

The next part reviews the types of auctions (from different aspects: state-private; Dutch-British, open- closed offer, and the variations of these) and their professional characteristics that are essential to understand the statements of the dissertation.

In the next chapter the international history of auctions is reviewed starting from B.C. 500 - the ancient times when the Greek-Roman biddings practically defined what we nowadays call an auction – up to the present, including the two auction houses founded in the 18th century, the

nowadays leading Sotheby's and the Christies', concentrating on the interlocking practice of them; art dealing in Hungary is also dealt with, from the beginning, in the 18th century through the first public auction (Rippl-Rónai) in 1906, to the many-folded and colourful present that was born due to the changes in the structure of the art market after the fall of the socialist regime.

The next part deals with those factors that influence the "value" of a piece of art, from the most basic canvas-paint value to the historic value, name value (fetishism), provenience value (and the anomalies of it, after László Mravik, Sándor Radnóti, Arthur C. Danto, Ferenc Matits, James Lord, Gottfried Honegger). On the apropos of buying pieces of art, the possibility of the "acquisition of social positions" (Hannah Arendt, Robert Lacey) is also referred to. In connection with it several pieces of work of art is mentioned (Michael Marcovici, Anna Lénárd, Lőrinc Borsos, Andy Warhol, James Stephen Georg Boggs, and partly in connection with it the Kis Varsó (Little Warsaw) and the „value-projects" of the Antimedia Group) where practically money (notes and coins) as such is used, as well as some special (because of their age, persona or something else) „artists" whose „value" (that is the price paid by the market) is difficult to estimate without the knowledge of the logic of the artifact market. There are also several examples mentioned to show how value varies according to geographical location.

All is said the crucial question of the dissertation is reached, namely how the market itself forms the "value" of the artefacts within the market. This part analyses of the power network (i.e.: Art Review Pover 100), the „classical" jiggery-pokery of the 19th century (Paul Durand-Ruel, Ambroise Vollard, Henry-Clément Brame, Mary Boone), the huckstering techniques of the grand auction houses – a good example of it is the aforementioned success of Saatchi and Hirst. Meanwhile the market demand and parallel to it the self-exciter effect of the rise of prices (i.e.: the works of Jasper Johns, Matthias Weischer, Jüe Min-csün), as well as the influence of fame on prices (Marcel Duchamp), and the influence of prices on fame (Banksy).

Finally in the last chapter of the dissertation the question is asked: regarding the success embodied in the incredible prices does it worth to invest into art? Several opinions are quoted (Frieder Burda, Piroshka Dossi, József Lakner, István Terray), the different international remuneratory calculations (James Sproule, Gerald Reitlinger, William Baumol, Werner Pommerhene and Buno Frey, Jianping Mei and Michael Moses) are shown together with my own analysis of a Hungarian example. Also comparisons are presented as for the profit and loss of investing into art objects and gold; "upvaluated" national and international art objects are presented together with the fine art funds (The Fine Art Fund Group, Fernwood Art Investment Fund, Art Exchange, Equilor Befektetési Zrt.), both gaining profits and losses.

As for summing up, there is no traditional research result or final conclusion, since the result of the research proves exactly that there is no such thing in the field of art galleries, rather the reader

is left to think over the facts collected in the dissertation, either to arm the reader with the necessary knowledge not to go astray in the illogical world of art, or to give theoretical and empirical basis for further researches.

The same is true to the Appendix which lists all art object of the past ten years sold over 30 million dollars in auctions outside and 30 million HUF in the Hungarian auctions, as well as the highest prices for art objects both nationally and internationally (contemporary painting, photo, book, manuscript, numismatic, jewels, comics, postcard) and some Hungarian paintings in the past twenty years.