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Introduction

This issue of *The Journal for Art Market Studies* explores intersections between politics and art markets from the first half of twentieth century to the present. Discussions range from specific policies that have impacted on the marketing and acquisition of art objects to broader political decisions that shape, or have shaped, background social beliefs about the value of art and its institutions. Taken as a whole, the issue covers historical and contemporary examples from Europe, the US, Australia, South Africa, and China.

While the examination of specific cases entails a focus on the local and specific, it becomes clear that political decisions within one country not only impact on the associated domestic art market and museum structure, but also ripple more widely throughout the art world. This is particularly visible from the early twentieth century onwards, as technological developments increased the international mobility of artists, dealers, collectors, and curators, and also increased the speed with which ideas and objects circulated. The political and financial upheavals prompted by two World Wars, periods of boom and bust in Europe and the United States, and the opening of international trade in Asia have been major factors affecting the global circulation, marketing, and acquisition of art. The present volume examines some of these historical factors and demonstrates their lasting impression on the art market as we understand it today.

Inevitably, consideration of the connection between art markets and politics entails a discussion of wealth creation and cultural influence. Historically, artists have benefitted from – or suffered – different types of patronage on the part of royalty, religious institutions, governments, corporations, and wealthy individuals. The socio-political structures that have favoured direct or indirect patronage of the arts are central to the composition of art worlds and their markets. By tracing government policies that impact on the accumulation of wealth and access to markets, essays in this volume show that relationships between political, social, and cultural capital are central to the fabric of civil society.

Caroline Flick opens the discussion by considering a specific historical example: the standardization of art production, reception, and trade under the auspices of the National Socialist Reich's Chamber of Fine Arts in Germany during the 1930s. Through detailed archival research, Flick traces the transformation of the Chamber from a self-regulatory body to an organization that became subject to direct governmental control. The Chamber not only regulated the activities of art dealers, but also delimited access to the art market via a licensing system that reflected National Socialist ideologies of culture and race. Flick traces pricing trends and archival documents that show how dealers navigated these new structures, in some cases mitigating their effects and, in others, benefitting from them.

If Flick's article demonstrates the symbolic and economic significance of art transactions in a particular case of politico-cultural governance, **Marina Maximova** takes the discussion forward by considering the impact of politics on collecting and exhibition strategies on Russian art institutions. Taking as her example the Moscow art scene of the 1980s, Maximova analyzes attempts to create a museum of contemporary art in Russia and the ensuing debates about what should, or should not, constitute a canon of contemporary art. Fuelled by policies of openness under Mikhail Gorbachev's *perestroika*, the Russian art world of the late twentieth century witnessed a social and cultural liberalization that impacted significantly on art institutions and their collecting activities. Maximova shows how this led to the dissemination of "alternative" art in Russia and had a lasting impact on the country's relationship to, and participation in, the global art market.

Developing Maximova's exploration of the relationship between collecting practices and the art market, **Kathryn Brown's** contribution to this volume considers the intersection of wealth, public and private museum practices, and cultural influence. Based on a range of European, US, Australian and South African examples, her article debates the impact of private collecting on museums and, by extension, on the creation of art history. The political aspect of the discussion concerns histories of wealth creation under capitalism and the transformation of economic dominance into cultural dominance on the part of a wealthy minority. This becomes particularly visible in the emergence of private museum culture and the financial conditions necessary to sustain it. The political sub-structure that promotes wealth creation and accumulation has implications beyond the realm of personal finance and is seen to impact significantly on questions of aesthetic value and cultural legacy.

Deirdre Robson's paper complements the preceding discussion with its close examination of US federal tax regimes that fostered the development of art collecting and philanthropic giving in the twentieth century. Working through the practical implications of specific pieces of legislation, Robson demonstrates connections between revenue codes and the evolution of the New York art market in the middle of the century. She focuses, in particular, on the ways in which tax reforms of the 1980s shaped the preferences and practices of individual collectors. Through a close examination of incentives for donating art works to public museums and for establishing charitable foundations or private exhibition spaces, Robson effectively demonstrates how US museum culture has been

influenced by tax regimes that favour the wealthy. In this case, the imbrication of the art market and museum culture lies squarely within the economics and politics of taxes levied on both individuals and institutions.

Nicola Foster turns her attention to a differently styled art market and collecting environment: contemporary China. Her discussion focuses on the donation by Swiss collector, Uli Sigg, of his collection of contemporary Chinese art to the M+ museum in Hong Kong in 2012. This example once again raises issues about canon formation and the impact of cultural policies on museums. Against the background of Deng Xiaoping's "Open Door Policy" that began in the late 1970s, Foster examines the types of art acquired by Sigg – some of which ran counter to ideas of aesthetic excellence historically promoted within the local museum culture. Here, too, category questions arise: namely, what is "contemporary Chinese art" and who determines what falls under this heading? In Foster's analysis, Sigg's collection and his gift of it to M+ is a flashpoint for debates about the reciprocal relation between art and cultural identity and, in particular, about who has the political power to use art for the purpose purposes of shaping the latter.

The themes of power and canon formation run throughout the articles comprising this volume. This includes, amongst other things, the power of governments to determine cultural and fiscal policies, of museums to shape historical narratives, and of wealthy collectors and art dealers to promote particular artists. Developing this theme **Ronit Milano's** essay problematizes the relationship between art markets and democracy and uses online auctions as a test case. Her article considers differences between auctions "on the floor" and on the internet and explores the institutional power structures that shape the sale of art on the secondary market. How do new buyers and sellers enter the field and how do they compete with established international players? Milano locates her analysis against a background of contemporary discourses on corporate culture, neoliberalism, and celebrity culture. While the internet enjoys mass accessibility and appears to offer a counterpoint to an art market driven by familiar "brands", its challenge to traditional market structures seem, as yet, limited. Milano hopes, however, that online platforms – as inherently social platforms – may, in time, effect a more fundamental change to the art market. Through the use of crypto-currencies, crowd-funding, multiple small transactions, and even new channels of education, an optimistic view is that the internet has the possibility of rebalancing the social and economic structure of the global art market. This utopian approach attempts to bypass the traditional intermediaries between art producers and buyers in a conventional market.

It is hoped that, in addition to scholars of art and its markets, those interested in politics and economics will find the essays in this issue relevant to their disciplinary concerns. Throughout this volume, art serves as a prism through which to view and analyze public policies, institutional structures, fiscal regulation, and international relations. The ramifications of these discussions are broad and, in each case, art is shown to be a vital component of political self-awareness. As countries have reconceived their internal and foreign

policies, so too their museums, private collectors, dealers and, indeed, artists themselves have reconceived their identities and ambitions both at home and abroad.

I would like to thank the authors for their willingness to contribute to this important investigation of the relationship between politics and art markets. This volume would not have been realized without the vital editorial input of Susanne Meyer-Abich.