

CONTRADICTORY EVOLUTIONS OF MARKET ART IN NOWADAYS

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On this paper, we interred to present a few aspects about the main characteristics of art market from our country.

So, first of all, we are showing the infrastructure of this market, consisted in: elements of supply (consignations, galleries, traders, artists) and that of demand (collector of art objects). We are also insisting above the aspects of legislation and of quotations.

In nowadays, in the context of joining the European Union, the globalization and the financial crisis also, this market is suffering from structural contradictions, which culminates with notable differences in evaluation and in finding the real rapport between the artistic and the economic value.

Keywords: art market, art objects, consignations, galleries, traders of art, collectors, artists, quotations, artistic and commercial value.

JEL Classification: Z1 – Cultural Economics; Economic Sociology; Economic Anthropology

By its long history, the institution of market has proved to be the essential mechanism of regulation and intermediation of transactions between the economical actors, like sellers (the suppliers) and the buyers (the exponents of demand). Using like a criteria of classifying the objects of transactions, the market is presented in a large variety of forms, and the interest field of this paper is constituted by the objects of art market.

But, the objects traded on this market are different from the other goods which, by their unique character, are subjected to particular transactions. Being created, admired and valorized in our consumption society, they are depending on social coordinates, which determine their perception. Despite this fact, thanks to their specific characteristics, they can't be considered consumption goods, their existence being justified by the fact that they are considered the best synthesis between spirit and matter and, as is already known, a market economy, by its competitive mechanism, harmonizes all the created and the distributed values. In this context, it's relevant and welcome the affirmation which says that: "[...] In a society without luxury and missing by the economic activities which generate it, the poor people will be even poorer."³⁷⁷

Despite its spiritual connotation, studied from an economical point of view, the art market is constituted like an institution which is functioning by its own rules, being equipped with an infrastructure managed by the interdependence and partnership of its principal actors.

Analyzing our country's situation in the field, we may say that the legislation of art market suffered from multiple changes along the times. For example, by adoption the no. 63 Law/1974 about the art goods, the collectors were put under the state protection, being in a continuous menace of the confiscation hazard. After 1985, the art passion become bigger and bigger among the intellectuals, especially among the doctors, the transaction intermediaries being the descendents whose families from the ancient times had acceded at this ostracized cast.

The political regime changes created the premises adopting the no. 90/February 5'th 1990 Draft by C.F.S.W. by which the no. 63/1974 law about the protection of national cultural patrimony was annulated. This created the conditions for the liberalization of the art trade, for creating its specialized institutions, so that, the period between 1990 – 1993 can be characterized by the appearance of lots of private stores which, first of all, functioned as consignations.

The consignations are having a long tradition in our country. The well known collector Krikor H. Zambaccian³⁷⁸ is the man who opened the first store of the kind after the second world war on Calea Victoriei (Romarta), called "The Romanian Art". In a consignment, the owner of a painting comes and demands a level of price, for which it is perceived with an errand between 10-33%.

After 1990, there were also specialized firms exclusively on art objects auctions, the best known being the auctions houses ALIS and MONAVISIA. The most reliable clients of those are art traders, but also the big companies interested in their offices' decoration. Abroad, there are practiced also the "dumb" auctions, where every written supply is put in the ballot and the owner of the biggest price is becoming the owner of the art object. There are also less ostentatious ways they used to be practiced in our country too. In conformity with the legislation, the auctions are registering only the sellers, but the buyers are anonymous.

377 Bernier Georges: "Art and trade", Meridian's Publishing House, Bucharest, 1979, page 80.

378 "The evasion increases the consumption and investments", The Capital, April 7'th 2005.

The art galleries are often institutions with the role of intermediating the transactions between the collectors and the artists, their owners are buying art objects for reselling them at higher prices. These are promoting their own strategies in discovering the new talents or they are competing for attiring consecrated artists. The gallery owners, but also the art traders, gave the possibility to many artists to be known by the art amateurs and collectors. But talking about the workings of the dead artists, the gallery owners are responsible by promoting the invitations.

We must not neglect the social partnership either, to much present on the art market, which is generated by the fact that the multinationals understood to assume the values from the countries where they are functioning. So, the dialogue between the private investors and the state institutions seems to be more and more profitable. In this way, the partnership between B.R.D. and The National Art Museum is relevant. It is also important to mention the activity of the Romania's National Bank, as the most important institution which collected art objects before 1920 and the period between the two world wars. But, in 1917, all its valuables were sent away, with the national treasure, to Moscow.

So, it is necessary to build an initiative which means to wise, to create, to have an intelligent strategy for passing the opposition between the capital, money, utility, meritocracy, on one hand, and aristocracy, culture, art and gratuity, on the other hand.

The consumers of cultural goods, like exponents of the demand on the art market, are forming a larger circle, being represented by the readers of the books, by the theaters spectators, the art exhibitions visitors. So, they are those who need the cultural values, having the capacity of assimilation and perception, so that, without them there is no culture. After all, without economical goods consumers, there is no economical life. They are not just considered specialists as most of them are practicing other jobs but, after as Mihail Manoilescu told: "In profession, the dilettantism may be catastrophic, but out of it, it may be one of the few good things of the society"³⁷⁹. These passive "dilettantes" are having the role of filling the spectacles, concerts, conferences, exhibition rooms and of creating the opportune medium for the promotion of art workings.

The art collectors are having a definite role among the cultural goods consumers, they are really wanting to own and to admire the art objects in their private medium. In terms of preferences, it's obvious that the most wanted art objects are the canvas oil paintings, followed by the cardboard oil paintings. The sculptures are situated at the end of the preferences of art collectors from Romania, but also from abroad. Among the authentic art lovers, they are consisting in a restricted category, because, a lot of them are having low and middle incomes, and the art objects they can afford are at their power of buying. On the other hand, the genuine collectors are very restrictive, they must cultivate an artistic taste, they must have important wealth and they must benefit by substantial sources of acquisition. In many times, the disappearance of an important collector is always an event with important consequences for a very restrictive market. But there are a lot of survivors and a lot of rich people ready to invest on this market. We must not neglect the notable collectors either, but with middle income, who prefer to buy relevant operas from middle artists, despite the minor operas of the consecrated artists. We must also add the buyers who are not interested in the artistic value of the opera, but they are buying them at high prices (thousand of E) liking investing at the stock exchange for coffee, oil etc. We may conclude that the big handicap of the actual collectors is consisting in their incertitude in finding the values of the actual art, determined by the absence of veritable references. This phenomenon is generated by the fact that the economical value of an art working is not influenced by precise criteria, not even in situations where references points assumed by everybody are evident.

In spite of this situation, there are some evaluation criteria, but those are not put in practice with equal choices in all the times and in all the situations. So, the most significant ones are consisting in: the authenticity criteria, accounted in the situation of a dead artist; the period when the opera was created (in "salad" days or at maturity); the preferences, the trends; the notoriety of the artist. The relativity of these situations is given by the paradoxical circumstances which may be seen everywhere. For example, it's possible that paintings of the same artist or the operas of the same sculptor to present big fluctuations of prices. In the meantime, there were a lot of situations in which the workings of some less notable artists than those recognized by all the art critics and historians are more representative and have bigger market prices. So, we must eliminate the prejudice that a painting of a notable artist (for example, Nicolae Grigorescu or Ion Andreescu) must get the highest prices, simply because they are the classics of Romanian paintings from the same period (G. D. Mirea, Sava Henția) to reach prices situated above the prices of the artists named before. Analyzing the evolution of this situation, we can appreciate as relevant the next examples: a Tonitza's paper which, in 2004 was sold at 5.000 E, in 2007 it was evaluated between 15.000-30.000 E³⁸⁰; the Schweitzer Cumpăna's paintings which, between 1995-1998 were evaluated between 300-1700 \$, in 2005 that were situated between 3000-7000 E³⁸¹.

But, the Romanian art market is still growing, though it is slightly undervalued (hasn't been sold yet the object evaluated at 1 million E). The situation is still the same for the contemporary art, obviously, from the province

379 Manoilescu Mihail: "The habits and the destine of Romanian bourgeoisie", Albatros Publishing House, Bucharest, 2002, page 295.

380 „The Thruth”, August 1st 2007

381 "The Capital", November 1st 2005

artists, and not only because they are less promoted than those from Bucharest, but also for the reason that a little number of businessmen are likely to invest their money into the operas of some unknown artists.

By reporting it to the international situation, it's difficult to accept and to understand why an opera of an irrelevant post-impressionist artist is evaluated, at an occidental auction, with a price which cannot be touched by a masterpiece of Andreescu. Andreescu's paintings, sold in our country with ten thousand Euros, in any case won't reach the same values of Parisian, Italian and German markets. The reason is that the operas of our classics and moderns could travel abroad only on the occasion of officious cultural parties and, in this situation, the Romanian creations are generally ignored. We must accept the idea that, everywhere the artist is living, he belongs to the whole world, and the tops of an international confirmation may be reached only by promoting the national specific values. The artist helps nation to upon the map of the world. This is his big mission because, when he raises the public interest, that is not only the interest for art, but also for his nation.

Now, after joining the European Union, the globalization also, means the access to the cultural values, their free circulation and participation to the stock exchange of art operas. We must also accept that nobody can be forced to accept the Romanian artists hierarchies; from abroad and with value scales practiced for a long time on the market, situation seems quite different. And this may be proven by the fact that some national collectors are buying from obscure stores from France Pallady's paintings with only 1000-2000 E, while in Bucharest, Pallady has a big notoriety among the big investors (for example, at the transaction from auction ALIS from March 18th 2007, a painting of that artist was evaluated at 75.758 E). The example of Dimitrie Știrbei (1901-1985)³⁸², also relevant, his paintings were bought, in 2003, with 100-200 E, while in Germany these are having fixed and attractive prices situated at the levels of a few thousand E, the artist also has his place in all the art dictionaries.

A big art trader from New York claimed that, at a moment, veritable paintings are everywhere, but the market makes them to be "big". But, on the art market, many people assimilate value like the opportunity of buying cheap and then, of collecting and reselling more expensively.

Which is the meaning of "quotation"? In our country, we may talk about it later, when in art will be realized an index with the references of the sales from Romania and abroad. In this moment, only the selling-buying prices are being known, and not the real ones. This is because, for eluding the big taxes, the gallery owners are looking for finding the possibility of not paying for all the sales. But, we may have information about what a "good price" or a "under evaluation" means. By joining the international art evaluation system, the art operas will be realized by creating of a national market, and a national network of galleries, of houses of auctions, periodicals about the sales, with all the afferent effects.

In any country from Europe is not possible to buy from galleries or auctions, operas created by artists with notoriety on international markets of notoriety, but well educated and with a rich biography, in epoch frames and at prices situated only at 100-300 E. Talking about this aspect, an art trader accounted that an 1\$/year "the rent location" for the paintings deposited for a century, generate the situation that, when we are buying the opera, we are paying the location and we are buying the opera free. By distinguishing the European art markets, where there are also evaluated the isolated realizations of middle class artists, the Romanian society seems to penalize the big realizations of some marginal artists. It is known, in literature, a writer remains as notoriety and a cultural point of reference with one book. We can suppose that a nation like ours, with only a century and a half easel painting won't be so exigent with the "mid-class" exponents of its culture.

Analyzing our present and future, one thing is sure: in the last 16 years of auctions houses activity from Romania, the quotations of Romanian artists have had an ascendant trend. A painting is penetrating into the auction houses after 10-12 years. But, in 2008, on the background of financial crisis, the ascendant estimations from 2007 couldn't be confirmed. The same trend was registered on international markets. The decreasing power of buying of wealthy people from Russia, Eastern Europe, Middle Orient has stopped the economic period of boom from the art objects market. So, the art objects from auctions houses Christie and Sotheby's were sold only 1/3 from the predicted prices, and the most of them couldn't be sold. As a conclusion, 2008 may be considered year of reflections on the art market.

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