

Speculating the Contemporary Art Market: gambles, trends, and future compositions¹

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Short Abstract

Starting from an ethnography of the Brazilian contemporary art market, I place under scrutiny the speculation within this market as being an effort of calculation and construction of the future which, mobilizing different knowledge areas, directs the wagers of its actors and weaves future trends.

Long Abstract

The contemporary visual art market is closely related to notions such as gambling and trend. A gamble on a young artist from a gallery owner or collector undergoes calculations and efforts towards constructing the future. This composition can be based on readings of the present and of the recent past coupled with discontinuous lines that cast unstable bridges towards the future: the trends within contemporary art and its market. In this process, speculative insofar as it attempts to predict, manipulate and construct the future – beyond the actors' different views and subjective tastes – different knowledge/calculation tools are intertwined: history of art, economy, and sociology of art. The latter particularly interests me by bridging the thought schemes of the anthropologist and their research subjects, since both are informed and shaped by the same social theories. Some sociologists, for example, act as consultants of the art market, responding to market researches commissioned by galleries to contribute to the formation, establishment and consolidation of this market, considered to be emergent in Brazil.

This paper presents some considerations and is focused on the project *Speculating Art: an ethnography of the Brazilian contemporary art market*. Researches such as this one brings new challenges to the anthropology of art since contemporary art requires the construction of new analytical approaches, drawing new dialogues with subjects that shape and inform art, but also with perspectives which contemporarily shape and inform anthropology itself.

¹ This paper is related to the presentation at the panel *Anthropology of art: today and tomorrow* (047), coordinated by Thomas Fillitz (University of Vienna) and Ursula Helg (Zurich University of the Arts), at the 13th EASA Biennial Conference.

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I would like to begin this communication by clarifying some terms/concepts that I shall use by creating some consensual and stable points among the multitude of intents and volatilities of meanings in such terms, and thus present through them a few issues that have emerged during my PhD research.

First point: *contemporary art*. Even though one of the chief characteristics of contemporary art is the implosion of disciplinary boundaries I shall use here the term *contemporary art* to refer to *contemporary visual art*, just as the interlocutors in my research do so. Particularly, in this paper, I refer to *contemporary visual art* insofar as it is connected to the sales and purchase market of art pieces. The term *contemporary art* can be used to address a *context* that is both formative and formed by: certain spaces for the production and/or visibility of art (physical, virtual, communicational); physical and legal persons (artists, curators, researchers, producers, buyers and sellers of art pieces, galleries, institutes); and things (derived from art pieces, and especially, *artworks themselves*). This context, with its different conceptual implications, has been called the art field (BOURDIEU 1996), the world of art (DANTO 2006, BECKER 1982), a system of art (GEERTZ 2007), and culture under quotation marks, i.e. “culture” (CARNEIRO DA CUNHA 2009). In addition to being a context, the term *contemporary art* is used to refer to *contemporary artworks* themselves, things which are both the product and producers of the contemporary art context and, ultimately, seem to justify the existence of this very context (YÚDICE 2006, GELL 1998). Even though the materiality/objectuality of contemporary art is not a premise – as is the case with performance (COHEN 2002, GLUSBERG 2003), or collaborative/participative art (BOURRIOU 2009) – I refer here to the *artworks* in question as *pieces, objects, things*, for possessing in their great

majority (while being paintings, sculptures, installations, photographs, publications) the quality of things that are in one way or another materialized and thus able of being commercialized.

Second point: *the contemporary art market*. Although I understand that the idea of a market goes beyond the purchase and sale transactions mediated by money (APPADURAI 2009), it is precisely this type of *contemporary art market* that is here at stake. The focus of my research lies in what my interlocutors call *primary market*, that is, the purchase and sale of art pieces by living and active artists, frequently mediated by experts in selling this “type” of art (gallery owners, advisers, etc.). The *primary market* is the market for the first purchase/sale of art pieces as opposed to the *secondary market*, which refers to the resale market of art pieces (such as auction houses and galleries dedicate to modernist art, for example).

Third point: *speculation*. I underline here some swift and objective definitions of the verb to speculate from a Brazilian Portuguese language dictionary (HOUAISS), which punctuates what I have in mind when I invoke this term: “1. To study something attentively, in detail; to research, to investigate. 2. To seek to understand through reason, theoretically; to reflect, to theorize [...] ETIM Lat. *speculate* observe, to follow with one’s eyes”.

The first and main meaning of the word speculation within the art market seems to be related to the somewhat imprecise, albeit morally dubious, act of “earning quick and easy money” through purchase and sales transactions in favor of *purely financial*

interests and not on the *behalf of art* (and for this reason morally dubious³). In this presentation I shall take the liberty to leave this first meaning in abeyance in order to explore some mental schemes (STRATHERN 1991) and calculations by which actors within the contemporary visual art market seem to apprehend and construct *contemporary art*.

Within the financial market the idea of *speculation* seems to be related to an attempt to anticipate future movements of a specific market or segment thereof. For such, its operators compose (VIANNA 2010) a kind of speculative, interpretative and contextual image of this market's present. This image is constructed by the use of *information* produced by calculation and interpretation tools such as, for example, qualitative or quantitative market research. Through this image of the present, the image (or images) of what this market once was in the past, and the observation of the movements by which this market has gone through or is currently undergoing the art market operators observe (and construct) its *trends* for the future. Such *trends* are potential and uncertain lines that seem to connect the present market to the future. These trends sometimes appear in the discourse of market operators as granted and as

³ I presume that the negative connotation carried by the term speculation in the art market is partly due to the fact that several actors in the contemporary visual arts operate under a logic by which art and money are part of different moral/ethical spheres. In this sense art would be something positive, while money would be negative and a potential polluter. This perception comes from my constant attention towards speeches on field that hint, and sometimes explicit, ideas such as: (a) the state needs to protect art from *market interests*; (b) the market does not necessarily *elect* good art; (c) it is up to the artist within the art market to act upon it and to *defend* their artistic interests; (d) the term *investor* appears as a kind of accusatory allegation since buying art "solely for investment" and aimed exclusively at "profit" is considered a minor reason for such acquisition, less worthy and less correct and worse, doomed to fail (as opposed to the purchase driven by passion for art, for the pleasure of having and living with art, etc., which would not only be the acquainted way of purchasing art but would actually ensure the success of such a purchase). These are some of the examples that lead me to think that, from the perspective of some market actors, money could have a contaminant power for art and, in a contrary movement, art could be beneficial to money considering that a significant parcel of art buyers are connected to the financial market (banks are the most commonly mentioned private collectors during the research). This is not unanimous within the market, but instead a constantly debated issue, as can be seen in the text *Os interesses econômicos e a autonomia no sistema da arte: falsas dicotomias, um certo romantismo e o poder do mercado* (*The economic interests and the "autonomy" of the art system: false dichotomies, a certain romanticism and the power of the market*, short link: <http://tinyurl.com/m6gu4hb>), where the sociologist Ana Letícia Fialho (who both acts within and analyses the art market) critically reports on a debate concerning art and money that took place in an institution in Rio de Janeiro.

something that must be observed, and occasionally as something liable of being constructed or manipulated – at the same time in which it is, ultimately, built from the very calculation tools that lead to its observation⁴. Once grasped/constructed from specific pieces of information, *trends* guide *gambles*. *Gambles* are present actions, based on market trend (or trends) and aim to achieve specific future results; but given the unpredictability and the impossibility to absolutely control the future and to pinpoint the consequences of present actions, risk comes into play. Nevertheless, at the same time in which they act/place their gambles based on certain trend (or trends), the market operators may also once again construct this trend, making its subtle stroke increasingly stronger until this trend fulfills itself⁵ (and therefore ceasing to be a trend⁶). For example: a handful of art market operators (who could be collectors, gallery owners, and so on) may observe a *trend* towards an increase in the circulation of photography. Those few operators then proceed to *gamble* on photographs buying this type of work for their collections or admitting artists working with this language into their galleries. Other market operators observe the actions of the first and follow in their footsteps. Several people then start to *gamble* on the purchase and sale of photographs and the *trend* in the increased circulation of photographs becomes increasingly clearer until it finally fulfills itself. The same could be said of an artist's price (grossly summarizing): if it is believed that an artist's price will go up and actions follow such belief, then the price effectively increases; or, considering it in a more “active” way, a certain operator (or group of operators) wishes for an artist's value to raise, they create the belief that its value will

⁴ Since by calculating, interpreting or producing images of this world people also construct this same world (LATOURE & WOOLGAR 1997; LATOUR 2008)

⁵ The trend can be doubly constructed: by the calculation and information tools during its readings/observations and by the actions guided by it.

⁶ It is worth noting that the more a trend gradually becomes a trend (more concrete, more feasible), the more it gradually ceases to be a trend and presentifies itself as the current market context, becoming therefore a characteristic of the present.

increase, guide their actions towards such belief and, therefore, the value effectively goes up.

Beyond the specific purchase and sale market for art pieces, *contemporary visual art* is not stable or easily outlined. No formal agreement exists between contemporary art actors to define contemporary art. It is constantly debated, negotiated, mobilized and transformed – never unanimously – in each exhibition curation; in each project written and/or carried out by contemporary artists; in every decision by a selection committee of a notice aimed towards the contemporary visual arts – where this art is generally defined in vague terms for those not belonging to this particular context: a "contemporary language" or presenting a "contemporary art issue," etc. (CORDOVA 2010). Within the art market such definitions seems to be constantly negotiated, produced, and speculated through the choice of artists selected to each gallery; through the recognition or otherwise that such galleries belong to the contemporary art universe; from the private collections gradually built; through what is accepted, debated, presented in an art fair. If it is impossible to pinpoint what contemporary art is or if its contours are not a given fact, it then becomes necessary "to calculate" and to constantly speculate the current state of the art for one to be able to act within the contemporary art context. This calculation is related to the construction of a specific focus for the apprehension of this context (and of artwork) and which may undergo several informational variables, such as: the perception of what poses as an issue for art at any given time; the art pieces which have occupied different visibility instances and institutions; the public debates; the ability to weave connections between certain art pieces among so many others in circulation; the exchanges between those who are part of the actors' affinity networks or personal

relations;⁷ the history of art (considered, by my interlocutors, to be one of the beacons that enables actors to communicate amongst themselves within this non-outlined context since it is responsible for a repertoire of more or less shared references); etc. In this sense, regardless of the specific relations of purchase and sale, contemporary art in its various spheres demands from its actors a constant speculative effort.

Another type of speculative effort that drew my attention in the field concerns the consolidation of the Brazilian contemporary art market, primarily through project Latitude – a platform for Brazilian art gallery abroad. Currently, this project is a partnership with The Brazilian Trade and Investment Promotion Agency (ApexBrasil) and The Brazilian Association of Contemporary Art (ABACT) – an association of commercial galleries operating in the primary contemporary art market and created, according to Mônica Esmanhoto (Latitude Executive Manager), with the purpose of housing Latitude, but not limited to its scope of action. Still according to Mônica, the main objective of Latitude is the internationalization of the Brazilian art market, even though this primary effort also promotes the domestic market. Among the project strategies we find: immersion trips by international agents in the Brazilian contemporary art context; trips for prospecting new markets for Brazilian art; and a continuous investment in commercial intelligence. This commercial intelligence is based on information production (database) and documents that guide the decision making process from market actors through “sectorial study, market research, follow-ups and a historical analysis of the program”⁸. Out of these strategies I highlight the sectorial study carried out annually by Ana Letícia Fialho, sociologist of art and Commercial Intelligence

⁷ This is a context formed by very personalized relationships, thus escaping the capitalist market logic based on impersonality and anonymity (SIMMEL 1978).

⁸ Source: <http://www.latitudebrasil.org>

Consultant at Latitude⁹. With information provided by the galleries, the results of this research "allows us to know the profile, operating modes, scale, growth indicators and international integration of the galleries as well as to understand and monitor determinant factors for the development of the sector."¹⁰. According to the presentation of the research disclosed in 2013 (2nd edition), the sectorial study forms "a set of precious data", which serve "not only the sector as a whole but also to better define" the "individual strategic decisions" of the galleries¹¹. Therefore, perhaps the market is not something given beforehand and foreknown in its totality by its agents. It is necessary to trigger knowledge production/resources from other fields to compose this overall picture and act upon it.

During the course of this communication I mentioned the efforts behind calculating and speculating the circumstantial states of contemporary art and how market actors mobilize different tools for analyzing the past and present so as to guide their future gambles and/or strategic actions. Much like we see in other contexts we have here the sociologist working and producing their considerations and thoughts on the market while, at the same time, operating in the production and creation of this same market. In this sense, contemporary art is also an image of the social sciences and, therefore, there is no radical alterity among us anthropologists/analysts or those being investigated that could be used as a transcendental methodological resource. History and economy are examples of other fields of expertise that make up this market and act directly in it,

⁹ The third edition of the sectorial survey, released earlier this year (2014), "has an unprecedented collaboration by Anders Petterson, Director of ArtTactic, on the Perception of the International Collector on Brazilian Art Market" (<http://www.latitudebrasil.org/pesquisa-setorial>, last accessed on 17/07/2010).

¹⁰ Source: <http://www.latitudebrasil.org/pesquisa-setorial>, accessed on 25/10/2013.

¹¹ According to Eliana Finkelstein, president of ABACT in office at the time of publication of the research at stake; Christiano Braga, project manager at Apex-Brazil and Mica Novaes Esmanhotto, executive manager at Latitude (FIALHO 2013).

bringing with them – and within contemporary art – their conceptual and analytical apparatuses and their knowledge production technologies.

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