

At the *Projekt '74* exhibition in Cologne, instead of art-as-art we got art-as-politics. But, when the museum declined to accept the latter, it was shown at the Paul Maenz Gallery. This is part of the quantification of quality. Reducing every "quality" to "quantity," the bourgeois society economizes on intellectual activity. It understands "reality" at the lowest cost. It considers all aesthetical factors permeated with *unmaterial* essence. The "magnificence" and "richness of expression and form" of the artwork exhibited at 420 West Broadway are represented as an essence (of culture, of history, of art) which no other language can depict. Any deeper consideration is simply proclaimed pedantry; everything that seems so "natural" to the situation is only a factor of good-show-business.

During our stay in New York, we tried to talk with as many artists and students as we could. We talked about what we saw and what we know

of the galleries as well as our experiences in Yugoslavia. That meant we spoke somehow differently and perhaps sometimes more fundamentally. We have the feeling that this sort of "deeper" talk was thought to be inappropriate or strange, or looked on as a reflection of something having its sources in the socio-political system that we come from—as if we were expressing not our opinion but merely the Official opinion of our State. It seemed to be considered that what we thought or did was not of ourselves but somebody else, that we were mere products, finally, of a Communist ideology—and it is well known what that means. It is equated, for one thing, with Social Realism and that means 'poverty' in art. In New York, it seems that everybody believes they are thinking freely, democratically, as if this thinking has no connection with the society they live in.

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PRICING WORKS OF ART

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How *should* prices of works of art be determined?

Before trying to answer that, we need some sort of an answer to how prices of works of art are *currently* determined. Clearly, a price can only be fixed relative to a particular market structure. It's widely assumed (and I assume it too) that the sort of market we have is not a decreed market but one subject to so-called open-market forces—that is, while it might be manipulated, it's not planned or managed. In this sort of market, the price of a particular work of art finds its 'own level' according to what advantages or 'privileges' it accrues in relation to a particular market structure. For example, the established fame of the artist, the current popularity of the style which the work relates to, the scarcity of similar works, the exchange value of the materials or medium used, the newness or oldness of the work, and so on.

'Viewed from the standpoint of the objective relations of capitalist society, the greatest work of art is equal to a certain quantity of manure.' (Marx)

The price of a particular work of art will go up or down according to the number and power of such privileges it secures or loses (not all privileges being equal). A particular work can alter its price by being moved from one part of the market to another (to a different marketing category), where what were once its 'commonplace' features become 'unusual' and the work becomes subject to different marketing modes. This has been especially true of much so-called Conceptual Art where more 'common' commodities (essays, photographs, photostats, etc.), morphologically part of a market with unexceptional prices, took advantage of the unique commodity market to achieve exceptionally high prices.

What is it we're selling when we sell something as a work of art? This is a crucial point. We're selling certain sorts of *rights* to a particular *property*. Setting a price then becomes a way of setting a standard (criterion) for the allocation of those certain rights to what (those rights state) is the work of art.

This has an immediate effect of dividing up 'the arts' according to their *modes of marketing*. How is this? *Because works of fine art* (e.g. painting, sculpture, etc.) *are the only part of the arts which are directly susceptible to the private property system.*

Historical first editions, original manuscripts, scores, etc., are also susceptible, though tending to fall more into 'historically-secure commodities' rather than straightforward 'art commodities.' However, in strict terms of the market, historical memorabilia do function the same as works of art and are 'valued' similarly by the owner. This is largely the result of the autonomous function of 'history' in relation to art production—so that old art is valued for its 'secured-history' and new art is valued for its 'potential-history.' So there is a difference between art and memorabilia—but from the market you'd never know.

But, returning to the point, the market-defined split has overwhelming repercussions on the various 'classes' of artists in the various fields of the arts: it determines *how* we get our incomes, which inversely has re-defined our concepts and methods of production. You don't sell property rights to novels, poems, music, and so on, at least not in anything like the way you sell property rights to a painting. Poems (etc.) are subject to a different form of 'ownership,' that laid out in copyright laws. There's a lot of talk currently about the fact that works of fine art are also subject to copyright

laws—but since copyright is a restriction only on ‘publication’ (i.e. reproduction), the application of the law seems more related to 19th c. market conditions, since it was common then to sell the copyright independently of the painting in order that commercially popular prints (e.g. chromolithographs) could be issued. In the 20th c. it has become more economically advantageous to allow ‘free’ reproduction of works, since this is capitalizable in the price of future sales.

To make the point further. When we sell the property rights to (say) a painting, we are *transferring* those rights. That is, we are transferring property rights we take for granted we own in the first place and that are ours to sell. I know that sounds perfectly normal, I just wanted to underline the extent to which we all presuppose a private property system is ‘correct’ or ‘natural’ to the fine arts, and that we ought to allocate our products via that market.

As I said, this market-sustained split in the arts has immense ramifications. Suppose we look at some. It’s not insignificant that the work of fine art is embedded in our art language as a (more or less) *unique commodity*. (We sometimes use the word ‘original’.) But isn’t it a little curious that we talk so commonly of a painting as *unique*, but not a poem? What then is so special about uniqueness? Here is the point: uniqueness is the most highly treasured and privileged characteristic in the exchange market. Thus what *may* once have related to genuinely personal expression has been transformed into an impersonal factor of ‘mere’ economic activity. The fine arts have been integrated into the commodity market in ways not conceivable for other fields of art. And thus contemporary fine art has become the least able to express anything but an acquiescing reflection of its own economic dependence.

I guess this way of characterizing fine art as unique or original evolved in the early Post-Industrial Era when goods began to be mass produced and the work of fine art, having already become part of the commodity market during the Industrial Revolution, was forced to re-define its characteristics against the new technologies of production. We can perhaps glimpse this in William Morris’ lecture before the Trades’ Guild of Learning in 1877, “. . . the great arts commonly called Sculpture and Painting. . . I cannot in my own mind

quite sever them from those lesser so-called Decorative Arts, which I have to speak about: it is only in latter times, and under the most intricate conditions of life, they have fallen apart from one another; and I hold that, when they are so parted, it is ill for the Arts altogether: the lesser ones become trivial, mechanical, unintelligent, incapable of resisting the changes pressed upon them by fashion or dishonesty; while the greater, however they may be practiced for a while by men of great minds and wonder-working hands, unhindered by the lesser, unhindered by each other, are sure to lose their dignity of popular arts, and become nothing but dull adjuncts to unmeaning pomp, or ingenious toys for a few rich and idle men.”

Morris hints at the source of the incredibly privileged status of the material object (or whatever the market designates as its equivalent) in the fine arts. The source is in the fragmentation and specialization that became unavoidable (?) in industrialized capitalism. . . we know only too well the ‘unmeaning pomp’ of present-day art!

The characteristic of uniqueness has become central to the market drive. Its commodity value connects it to the economic value of *innovation*, which has become the dynamic of *avant garde* theory and first emerged about the same time as the use of ‘unique.’ Today, with the massive production of works of art, the artist is still forced to ‘innovate’ in order to achieve that ‘truly original’ work: the demands of innovation servicing the market by providing continuing product differentiation. With the huge market expansion of the past couple of decades, the rate of innovation had to be increased, so that finally innovative has come to mean the slightest and tritest formal difference. There are also bureaucratic restraints on what can count as innovation—for one, it demands a marketable *consistency*. Thus one must be original in order to achieve the ‘unique’ prices, and also consistent in order to sustain those prices—thus we must all be ‘consistently unique,’ no wonder things have become paralyzed! The whole problem being that, on the levels discussed, it’s impossible to distinguish our typical art language from outright market language. We are no longer able to talk about our art production independent of market coercion—the fusion is complete. Is there *any* level we can?

Why am I going on like this about private property? There’s a very good reason: it’s the

connection between *property* and *power*. Who holds the power in the ‘art world’? Who are really the decision-makers? The people who *own* art, who else. . . for Modern Art, like nearly everything else, it is the economics which today provides the unifying force. The cultural system has become completely dependent on the force (dynamic) of money, so being of a moneyed class makes you a potential (perhaps inevitable) decision-maker. Class in this sense refers not to a specific group of persons who have plotted to get power, but to a system that has institutionalized the ground rules for acquiring, holding, and transferring decision-making power and all the privileges that go along with that. The autonomy of our economic order permits the autonomy of the power of those persons, and has given them a bureaucratic base-structure for their power.

This is why that power is largely invisible to us. It is hidden behind bureaucratic walls, a jungle of paper experts separating the producers of art from the owners of art. This is the new, non-marxian conflict we face—no longer the capitalist openly exploiting the producers, bureaucratic organizations have taken over the exploitation as a service for the corporate rich. We have become ruled by ‘the rule of rules’: the decision power is shielded behind the barricades of second-rate minds and third-rate spirits in the museums and galleries, in the magazines, in the art schools.

This is what protects and conceals the private property system, encourages it to continue. But, in thus perpetuating itself, it sets up conditions which are antithetical to genuinely innovative or imaginative change. The economics has provided an impersonalization greatly contributing to the functional simple-mindedness and uniformity of contemporary art. Moreover, bureaucratization, wherever possible, has routinized, organized, rationalized, codified, quantified, and trivialized—and built in risk-avoiding self-preservational measures contradictory to the ostensive purposes of these institutions. We’ve come a long way from Thomas Jefferson considering the Constitution ought to be rewritten every twenty years. . . a ‘permanent revolution’ in the democracy.

Today, what aspects of our ‘experience’ get to be reified and thus economically privileged are unquestionably determined by the mode of marketing—which by now we have suitably *internalized* in our

methods and means of production. We’ve all noticed how the art market behaves and reacts like a stock market—how prices paid for a ‘promising’ new artist rise virtually on the grounds of a few well-placed rumors. It’s typical of this sort of market that expected future effects of that line of commodity are capitalizable in the current market price.

How can this be so? Don’t artists have any say in the market? What needs emphasizing here is that the artist as producer has a contract only in a *production* market. Once the work has been traded in that market, it is then in a strictly *exchange* market (a market where goods are simply exchanged and doesn’t involve any production at all). This is how and where manipulation can and does occur. But the point which needs making strongly is *the extent* that manipulation in the exchange market determines the price set in the production market. While the whole economy today is grounded in exchange marketing, it’s hard to think of any other sort of work which involves production and yet is so *overwhelmingly* determined by performance in the exchange market and at the same time so free of legal constraint. (It’s worth noting that a few artists have come to realize that the exchange market is the area of real manipulation and have joined in, buying back and trading their own and others works and cashing in on the re-sale profits.)

But it is here we begin to get a few implications of the highly deterministic relations between our latter-day concepts of a work of fine art, a system of private property, an exchange market, and the fixing of a monetary value. The artist is generally the victim of the very structure he or she is supporting: what the artist receives is determined by the production market, and the production market is determined by the exchange market, and the exchange market is subject to its own self-interests, to the whims and greed of the private, the corporate and the state powers involved in art investment.

It’s obvious to everyone there’s little relation between the price set on a work of art and the cost of production to the artist—that’s almost never used as a criterion. Socialist theory explains how, in most of our social lives, we have come to apprehend only the *exchange value* of things and are no longer able to directly apprehend the *use value* of anything (“. . . capitalism is the moment of negation: negation of use value, hence also negation of culture, negation

of diversity." Samir Amin, *Monthly Review*, Sept. 1974). You would have to be pretty naive to assume, if the price of your work increased ten-fold in so many years, that its use value had increased 1000% during that time.

Something else pointed out is that, in pre-modern-capitalism, man didn't differentiate between the time he spent working and the time he devoted to other social occupations—this would seem to add another argument to a point I've made elsewhere, that the economic principles adhered to by modern artists are 'out of phase' with the economic world we have been born into, and reflect an earlier, more atomistic stage of competitive market capitalism. That is, the production market we work in is atomistic and competitive, while the exchange market is monopolistic—and speculation in the exchange market makes the situation so fluid there is not able to be a stable estimate of the production value of a work of art. This means we don't have any voice, much less bargaining power, in the art economics.

Artists' refusal to put a per-hourly rate on what they produce seems to reflect a fact that artists' labor has never been commoditized. In this light, the occasional suggestions in places like the *Art Workers News* that the way out of the current market debasement of art is to set per-hourly rates on artists' time may represent a state of out-of-the-frying-pan-and-into-the-fire. That notion seems to be all about getting *into* the wage system, from which there is no exit. Gompers' idea that "the way out of the wage system is through higher wages" is particularly American in its carrot-like solution and has surely proven not to work! So, any attempts to make our economics more 'up-to-date' or 'realistic' have to be looked at closely to see what we mean by 'up-to-date'—is there any point merely swapping one exploitive circumstance for an even more exploitive one?

Something else which affects the actual monetary price is the way you define the rights to what it is you are selling. You might for instance place certain conditions or qualifications on the property rights you are selling, i.e., you want to retain certain rights over the property or receive certain services or something like that. For example, perhaps you don't want to give up absolute control over the property, as is transferred when selling an automobile; or perhaps you want to retain the prerogative

to destroy the work in five years time if you don't like it then—obviously things like this must effect price because they are restrictions on easy and profitable trading in the exchange market. Such conditions stand as 'non-monetary goods' and substitute for part of the monetary price but are generally regarded as encumbrances in the market (which prefers to recognize only monetary value). Which also explains something of the difficulty of legislating 'sales agreements' for artists, entitling them to a percentage of resale profit.

Consider some of this in the light of recent discussions about property rights vs. 'moral rights' (cf. Carl Baldwin, *Art in America*, Sept.-Oct. 1974), concerning possible legislature to make it unlawful for the purchaser to violate in any way an artist's work—a number of European and other countries do have a weak form of this law, the U.S. presently doesn't have any such law. The European law states the artist's right to object to any actions that "would be prejudicial to the (artist's) honor or reputation." This may be something odd in conjunction with a private property system, since the mere action of depriving the 'public domain' of certain works of art in many instances affects reputations, in fact it's quite a legal way of manipulating the market. (It's for this reason that many artists reserve their 'key' works for sale to only public institutions.)

That's another angle to consider: when we make something for sale, what is the difference between a work becoming public property or it being private property? (Admitting here, since many so-called public institutions in this country are privately owned and operated, we may have a funny notion of 'public' anyway.) So, what about public property—say a museum or institution purchases a work, what then? There are a number of factors: if a person invests privately in the art market and fails, that's held as a personal miscalculation and is just bad luck for him; but, if a publicly-owned museum invests in certain artists or styles which then fail to live up to their market promise, the public considers it has a right to be indignant and protest such 'waste' of public monies. Clearly there is strong pressure on museum officials to see that their investments don't fail—and to use the institutional power of the museum to hedge their bets. So questions of what gets hung and what doesn't, for how long, with what other works,

etc. are far from incidental concerns.

Moreover, frequently a sale to a public institution is regarded in itself as 'non-monetary goods' which substitutes for part of the price (since such a sale counts as a privilege which can be monetarized in future sales of other works by that artist). So, often, museums do buy at (and bargain for) vastly reduced prices, even though the work is often less visible (how many works does a museum buy which never get hung?) than if it's bought by a private collector.

The other sort of 'public property' is that which is purchased by a museum which is also a private corporation controlled by persons owning large private collections themselves (e.g. the MOMA and apparently most other museums involved in showing contemporary art in this country). It's hard to imagine psychological pressure not being felt by the museum officials to see that the private investments of the Trustees are guaranteed by the 'public' investment policies of the museum.

'Every two years—formerly it was every year—the Government regales the public with a great exhibition of painting, statuary, &c. Industry never had such frequent exhibitions, and she has not had them nearly so long. In fact, it is an artist's fair—putting their products for sale, and waiting anxiously for buyers. For these exceptional solemnities the Government appoints a jury to verify the works sent, and name the best. On the recommendation of this jury the Government gives medals of gold and silver, decorations, honorable mentions, money rewards, pensions. There are, for distinguished artists, according to their recognized talents and their age, places at Rome, in the Academy, in the Senate. All these expenses are paid by us, the profane, like those of the army and the country roads. Nevertheless, it is probable that no one, either on the jury, or in the Academy, or in the Senate, or at Rome, would be in a condition to justify this part of the budget by an intelligible definition of art and its function, either private or public. Why can't we leave artists to their own business, and not trouble ourselves about them more than we do about rope-dancers? Perhaps it would be the best way to find out exactly what they are worth.' (Proudhon, *Of the Principles of Art and its Social Purpose*, 1865)

At this point, with our whole culture infected by market priorities, it's hard to believe that any sort of market could be an effective or trustworthy standard for sorting out some works as 'better' than others, for how much more money, and so on. The market has its own self-interests above all else—that's to say, it is interested in art only insofar as it represents money, and doesn't go beyond that. So we have to acknowledge, whether it's direct government or state enterprise in the arts, or the 'semi-public' corporate investment, or just private investment, it's finally all equally hazardous for the producers. It seems beyond me right now to know whether a free market is the best model for an efficient and equitable allocation of goods and for free consumer choice—perhaps it is, I don't know—but it's a long time since we had anything like that anyway. Perhaps, at some earlier stage of capitalism, the consumer was king, but today the commodity has become king and the consumer is left wondering what use he is other than a function of maximizing the consumer ethic.



Anyway it's rather odious to talk about more virtuous methods of allocating goods when we are unsure about *how* what we are talking about qualifies as 'goods' in the first place. This is seen to raise a fundamental question about whether any sort of property system should apply to fine art. The initial question about *how* prices should be determined becomes a question of *whether* prices should be determined. That is, if we rule out the system of private property in the fine arts, there's no longer any issue of price. This would have a momentous effect, disrupting the entire superstructure of Modern Art with its dependence (for inspiration) on an internalized marketing structure.

But of course, that leaves wide open the issue of the artist's alternate means of income—about which I'm as confused as anyone else. To make an example of this difficulty: what would happen if artists were treated similarly to a protected public utility?—so that excess of a particular level of income was not retained by the artist but was either returned to the buyers or distributed for the benefit of other artists not gaining the expected income. Such 'primitive democracy' would certainly alienate the present nature of opportunism towards the market—perhaps even 'externalizing' it, reversing the process we've all been subjected to. This would eradicate all wealth-maximizing behaviour, though the spectre of a perhaps more gigantic bureaucratic lebenswelt is somewhat terrifying. And further, this says nothing of the questions of criteria (examinations? licenses?) for qualifying for such a scheme, nothing about alternate methods of allocation of works of art, nothing about whether you would want to fix standard (decreed) prices for works according to size, materials, styles, the number for sale, the needs or age of the artist, or whatever, or not fix any prices, and so on.

It's been argued, and I don't know how applicable it is, that private property is the source of all alienation. It's easy to see that private property creates a continuity of property rights, following hereditary lines; it's also apparent how this has been formalized as a 'social system.' And it's certainly true that private property is exploitive through maintaining the economic conditions whereby surplus value can be extracted from the producer through the exchange process. In socialist theory, once private property is socialized, the surplus

belongs to the people and the material basis for exploitation disappears. However, in the socialist experiments so far, this hasn't seemed to be the case. So, while I tend to agree that "the main reason that art suffers in a capitalist society is that it is difficult, if not impossible, to secure in the prevailing circumstances the necessary conditions for the mode of consumption adequate to the true nature of art" (Meszaros, *Marx's Theory of Alienation*, 1970), it doesn't help me. Moreover there is no 'true nature' of art—no art is independent of specific forms of society, and our contemporary art is probably a good reflection of this society in most of its more impersonal and dehumanizing states: one state of which is an art which no longer has the capacity to change itself or do anything else but reflect the fragmentation of this society. Our art has lost its capacity to dream.

The big question is the whole property system in fine art and the sheer force of cold cash. Money is without doubt the most *impersonal* form of value, the most widely regarded as neutral. But, in this society, it's the most direct source of power of one individual over another. It would be naively idealistic to think (as Soviet economists were planning as late as 1921) one could simply abolish money, but perhaps we have to make certain areas of our lives *immune* to monetary exchange. It is a serious question about the deterministic relation between fine art and money, and what would be the effect of eliminating the modern economic dynamic of art—that is, *what would be the effect of establishing art as a non-investment area?* Could it even be done? It might be the only way of re-integrating art as a viable social activity and the role of artist as an integrated social and individual role, the only way of having an art not wholly determined by the economic world we have been born into, and which has not only the possibility but also the impulse to change itself.

There is some urgency in these considerations. There are evermounting forces rendering any change like this impossible. Daniel Bell in his book *The Coming of Post-Industrial Society* (1973) is more optimistic, suggesting that individual private property is losing its social purpose and that the autonomy of the economic order (and the power of those who run it) is coming to an end. He asserts we are witnessing a change from market to

non-market political decision-making—the move away "from governance by political economy to governance by political philosophy" and that means "a turn to non-capitalist modes of social thought." Maybe he's right. . . but meanwhile the art market seems to be coming even more capitalistic than ever.

The most significant change in the art market in the past decade is the shift in patronage from private to corporate or government sources. Individual patronage has been percentage-wise virtually squeezed out of the market. As a result, decisions of 'taste' have to be justified institutionally or publicly, and so are no longer the prerogative of personal preference; the bureaucrat or corporate manager must not affront but appease his shareholders, workers, customers, etc. The effect of *impersonal taste* on art isn't measurable but, in my eyes, our galleries and museums are overflowing with mutations floundering in corporate or bureaucratic standards. In the U.S., the Business Committee for the Arts, a private, tax-exempt, national organization, was set up in 1967 specifically to advise business and industry in greater corporate support of the arts. Has anyone yet bothered to ask what effect this might have on the arts? Is it all really a matter of the more money the better the art? Another recent development, an even more perturbing one, is the so-called 'art investment funds,' corporate-like organizations whose sole aims are to buy art, hold it for appreciation, then sell at a profit. For example, "if I buy a \$100,000 painting today, in 3 to 9 months I want to sell it for a minimum of \$150,000. The dealer gets 10% of the sale price, or \$15,000, leaving Modarco with \$35,000, or a 35% profit"

(Ephraim Ilin, of Modarco, quoted in *ArtNews*, Dec. 1973?). Both Modarco and a similar organization, Artemis, pay dividends to their shareholders who are investing essentially in the art-dealing trade. Modarco also backs some fifteen galleries around the world and both have advisory boards consisting of professionals well-established in the art fields.

The result of this can only be further capitalization and cultural inflation in every sense. If someone pays two million dollars for a painting, the effect is to immediately deflate all other existing prices. Obviously our present inflation is not like the German inflation of 1923 when selling a Rembrandt might have brought you enough to live on for a few weeks only. But all markets are potentially as capricious as that. And I can't help feeling we are in the late days of the New York Bubble. The prices, for example, being paid by the new National Gallery in Australia for recent American art can only suggest the buyers believe these are *natural* prices, that the money bears some relation to the works of art and so in no way can these prices ever drop!

So, to ask how, if at all, should prices be determined for works of art is to ask what kinds of social behavior we want, or what sorts of rights should be instituted in order to achieve the preferred behavior. *That is basically a question of what sort of society we want to live in.* And it is basically a question of what sort of society we want our art to reflect, and whether we are going to have any choice about that.

New York, New York