



The rude and the beneficial awakening!

George Condo:
Antipodal Reunion, 2005
 Oil on canvas, 209 × 184 cm
Sotheby's estimate
 GBP 650,000–800,000
 Sold on April 22, 2020,
 online for GBP 1,035,000
 incl. Premium

The art world has experienced more than one turnabout between March and July 2020. The last great art fair, TEFAF, closed on March 11, several days earlier than expected. The last live auction to date, *South East Asian Art*, took place in New York on March 16. At least since then, art fairs and auction houses as well as galleries and museums were closed for months. *Art Basel Hong Kong* tried to give their galleries a good online presence from March 17 on, with the result that web site access was quickly overtaxed and participants were dissatisfied. The auction houses began to resort to greatly intensified online sales, a testing ground on which *artnet.com*, the information exchange platform founded in 1989, had already done pioneering work for more than a decade. **Nevertheless, the tide turned: sales revenues in the art market collapsed, and the rude awakening was not long in coming.** In spite of every effort, many galleries suffered losses in the 70 to 90% range, and *Sotheby's* registered a loss in sales amounting to no less than 75%. *Christie's* losses were even steeper. At first the galleries compensated for these adversities with declarations of solidarity with those infected by Covid 19, as we previously reported. The theme was compassion with all the victims of the pandemic; shortly thereafter, it was the plight of artists deprived of their livelihood, and of course, less explicitly, the personnel of these same galleries who had been laid off. Curators and artists sent out almost daily appeals to our common humanity on Instagram, supplemented by thoughtful, often dark situation reports from the art magazines. Finally, after the brutal arrest and subsequent death of George Floyd on May 25, a great number of galleries and especially American museums expressed their solidarity with the Black Lives Matter movement. Perhaps now a real change in the treatment of people of color as well as many minorities is coming to pass—more justice, a measurable increase in solidarity with other human beings and at long last also with animals. In the art market, this beneficial awakening occasioned by the worldwide repercussions of the pandemic manifested itself not only in well intended, social-political contents. **The new director of *Christie's*, Guillaume Cerutti, expressed it in a few terse words for the *Financial Times*: “The crisis has brought a moment of truth for online sales.”** *Sotheby's* proudly announced that it was now surpassing all competitors with a rise in online sales from \$23 Million in 2019 to \$139 Million at the beginning of June 2020.

If the proverbial white-haired art connoisseur with an ivory knob on his walking stick still exists, visiting fine galleries on Madison Avenue, Avenue Matignon and in Mayfair with the aim of casting his skeptically appraising eye on expensive paintings and noble sculptures as well as gallery personnel selected for their attractive appearance, these new trends will no doubt soon leave him in their wake. The equality of buyers of both sexes in many classes of age and income is increasing; a new democratization of art information is under way. Suddenly there are prices next to the works, obviating the need to wait for a sales agent or even the director to satisfy one's curiosity or interest. The paintings, drawings, photographs, and even videos are now constantly transmitted online by many galleries, in the same way that art is presented in digital auction catalogues. **What unexpected benefit, what clarity, what joy there is in being able to deliberate at home whether one wants to see the original work in natura before deciding to buy it.** But the range of art on offer during this beneficial awakening appears to be vast. Roughly 4,000 works could be viewed in a single afternoon when *Art Basel* went online in Basel. The exhibition halls themselves remained closed, and the biggest of all art fairs has been canceled for September. The *Frieze* in London, scheduled for the beginning of October, will either take place in a diminished form or not at all. In the summer of 2020, we find ourselves more and more frequently stepping out of our home office into a long, almost aseptically bright tunnel of digital art offerings that seem all but infinite in quantity. **It is up to us now to enjoy the new democracy.** We need quality criteria as much as we ever did. We must scrutinize prices as closely as ever. But we no longer feel left behind or particularly privileged. We have become freer, and by now almost all the galleries, auction houses and museums have reopened. The fact that the art market in 2020 has nevertheless experienced its greatest decline in sales—that is the rude awakening. The fact that now, thanks to a pandemic, it has become unexpectedly transparent, bright, almost exuberantly fresh, is a fortunate turn for many.

DR. THOMAS KELLEIN
Managing Director Bergos Berenberg Art Consult
thomas.kellein@bergos-berenberg.ch

This publication is for information and marketing purposes only. The provided information is not legally binding and neither constitutes a financial analysis, nor a sales prospectus, an offer for investment-transactions, an asset management mandate or an investment idea and does not substitute any legal, tax or financial advice.