



CURATORS OF THE BIENNALE HAVE ALWAYS PLAYED DOWN ITS IMPACT ON THE ART MARKET BUT THE TWO GO HAND-IN-HAND, SAYS **OLAV VELTHUIS**, WHO TACKLES THE TABOO OF COMMERCE AND CULTURE AT THE WORLD'S MOST FAMOUS EXHIBITION OF CONTEMPORARY ART

# THE VENICE EFFECT

When the Venice Biennale was founded in 1895, one of its main goals was to establish a new market for contemporary art. A sales office assisted artists in finding clients and selling their work, a service for which it charged 10% commission. The office was successful: by the end of the first edition, more than half of the works exhibited had been sold. The organisers earned so much in commissions that they were able to donate a handsome amount of cash to charity.

Sales remained an intrinsic part of the biennale until 1968, when leftist students and intellectuals sought to occupy the Giardini's exhibition grounds as part of their widespread revolt against bourgeois culture. They vilified the biennale as a playground of the rich that promoted the commodification of culture. During their occasionally violent clashes with the police, students carried posters with slogans like "Biennale of capitalists, we'll burn your pavilions!" and "No to the biennale of the bosses." Their protests did not go unnoticed, for the biennale's board decided to dismantle the sales office. Commerce was now taboo in the Gi-



A protesting student is dragged from St Mark's Square during the 1968 Biennale, left. Mega-dealer Larry Gagosian, below, is a Venice regular

ardini. While many of the achievements of 1968 have since been discarded, the biennale's ban on sales remained. Its commissioners and curators have time and again framed the exhibition as a locus for experiment rather than commerce, elaborating on the fundamental differences between the institution and the art fair, and downplaying its

the British pavilion (seen on p21) before the biennale had even opened officially. In the same year, the French super-collector François Pinault snapped up a series of paintings by Sigmar Polke in the Padiglione Italia, much to the dismay of some museum directors, who, as Pinault put it mischievously in a recent interview with the *Financial Times*, arrived "un peu après".

No matter how hard its curators have tried, the biennale's impact on the art market is notable: showing in Venice speeds up sales, gets artistic careers going, cranks up price levels and helps artists land a dealer ranked higher in the market's hierarchy. While business may be conducted in a more circumspect way than at an art fair or in a commercial gallery, and money may not be changing hands in the Arsenale or the Giardini, the market is never asleep. During the biennale's opening days, dealers such as Berlin- and London-based Sprüth Magers, with five artists in Venice this year, or Zurich-based Eva Presenhuber (seven artists in this year's edition), will be gauging how deep the interest is in specific works on display, calculating the best way to "place" pieces in the hands of trusted collectors or schmoozing with museum curators. To exploit the Venice Effect, numerous others exhibiting at the biennale, among them Tabaimo (James Cohan Gallery), Jennifer Allora & Guillermo Calzadilla (Lisson Gallery) and Barbara Visser (Annet Gelink Gallery), will have works for sale at Art Basel, the world's most important modern and contemporary art fair, which opens its doors only a week later (15-19 June, pp15-18). Their dealers' credo: "See it in Venice, buy it in Basel."

So what causes the Venice Effect? The easy answer is that showing in Venice is widely perceived as a signal of artistic quality, lending legitimacy to an artist's oeuvre and therefore contributing to shaping collectors' tastes (read: their willingness to pay for art). In this respect, Venice is, of course, far from unique. Dozens of other biennals around the world, such as Documenta in Kassel, but also museums and art critics, as well as influential market players such as Pinault or Charles Saatchi and dealers such as Larry Gagosian or Hauser & Wirth, send out signals of their own. It would therefore be easy to overstate the biennale's power to make or break artistic careers. The days of 1964, when Venice awarded the top prize to Robert Rauschenberg, and by doing so imported Pop Art into the canon of art history, are long gone. Leafing through past catalogues, the dominant impression is not of the scores of artists whose careers, like that of Pierre Huyghe in 2001, were launched at the biennale, but of all the artists who have been almost forgotten since.

Nevertheless, compared with those of other institutions, the signals sent out by the biennale have a relatively strong effect on the market because of their pure, fresh, independent and highly visible character.



Daniele Venturini/Wireimage

### PARADOX 1: PURITY PRODUCES MARKET POWER

In the contemporary art market, economic value can only be established if it is backed up by artistic value: a growing body of research shows that the reputation of an artist (the sum of all the solo and group shows in museums, monographs published, acquisitions of works by institutional collections, etc) is one of the best predictors of price levels. The late French sociologist Pierre Bourdieu accounted for this correlation: the type of capital around which the art world revolves is not economic or financial, but symbolic. Possessing symbolic capital means having the power to “consecrate” works of art. It is accumulated by curators, critics and all the other brokers of taste who populate the art world. They do so by demonstrating their independence from the market, by denigrating commerce, by showing an autonomous interest in art, in experimentation rather than mundane monetary matters. But once such symbolic capital has been accumulated, it can be converted into economic capital: the stronger the artistic reputation, the stronger the sales and the higher the prices. Thus the paradox is that the curator’s resistance to commerce and Venice’s official status as a non-selling event, is exactly what makes its quality signals influential in the art market.

The importance of purity is illustrated by Ireland’s contribution to this year’s edition. When the country announced the name of the commissioner for its pavilion, Emily-Jane Kirwan, and the artist exhibiting there, Corban Walker, it stirred up controversy. Kirwan is a director at New York’s Pace gallery, one of the world’s most established art dealers, which represents Walker. In *The Art Newspaper*, a veteran biennale curator who wished to remain anonymous called it “a terrible decision” to put an entire pavilion in the hands of an art dealer and her protégé, arguing that “certain lines must not be crossed, certain categories must not be confused or conflated, and ethical standards must be strictly applied”. Works by three Pace artists – Song Dong, Loris Gréaud and James Turrell – will also be included in “Illuminations”, the exhibition curated by this year’s biennale director, Bice Curiger.

### PARADOX 2: THE FRESHER THE SIGNAL, THE STRONGER ITS IMPACT

While in the past, inclusion in the Venice Biennale would crown the end of an artist’s career, now it often marks its beginning. To show their independence from the market and their ability to spot new talent, the biennale’s directors and curators have increasingly focused on young artists who are not yet household names. In this competition to send out fresh quality signals, which has hotted up due to the worldwide proliferation of biennals, curators are now engaging in a reverse generational race. The press release of the list of artists invited by Bice Curiger emphasised that 32 were born after 1975.

The paradox is that the more virginal these young artists’ curricula are, the stronger the Venice Effect will be for them. Referred to by the late American sociologist Robert Merton as the Matthew Effect (“the rich get richer and the poor get poorer”, according to the gospel of St Matthew), their participation prompts many more curators and collectors to pay attention to their work. For the few older artists in Curiger’s “Illuminations” exhibition, such as James Turrell or Elaine Sturtevant, Venice will be just one more line on their CVs. Likewise, the market for Christopher Wool is unlikely to change much due to Curiger’s invitation: his 1990 canvas *Blue Fool* was sold at Christie’s New York last year for \$5m (with buyer’s premium), making him the most expensive artist included this year. But they are the exceptions to the rule. The market for most of the artists selected by Curiger are nowhere close to established. And while the commissioners of the national pavilions tend to invite artists who are better known, of all the participants this year, only one out of five has ever achieved an auction price of more than \$25,000. Half of them have never been sold at auction. Anya Titova, the second youngest artist to participate in the biennale, does not even have a dealer representing her.

### PARADOX 3: INDEPENDENCE FINANCED BY THE DEALERS’ MONEY

Curators have another instrument to demonstrate their independence vis-à-vis the market: focusing on artists who make work that is hard to sell, such

as installations or videos. In the past couple of decades, these non-commodities have slowly crowded out the commodities at the biennale. But paradoxically this has done little to decouple Venice from the market. One reason is that powerful dealers are interested in representing artists who create non-commodifiable art for similar reasons to curators: it allows them to prove that they not only want to make a quick buck from selling smart paintings and photographs or from trading on the secondary market. In other words, representing these artists produces symbolic capital for these dealers.

An important practical reason why the focus on non-commodities has failed to decouple Venice from the market is that the biennale itself lacks the funds to produce, ship and install these large-scale works. Therefore the financial involvement of dealers is indispensable. Here the decision to stop selling in 1968 has taken its revenge, because it resulted in a steep drop in revenue for the biennale. The same hand that pushed the sales commissioner out pulled the art dealers in.



Martin Parr/Magnum

### PARADOX 4: VISIBILITY BECAUSE OF PROXIMITY TO THE BIENNALE

Business being done at  
the 2001 edition

The Venice Effect not only depends on the purity, freshness and independence of its signals, but also on their high visibility. The 2009 edition attracted more than 375,000 visitors. In itself, this number is hardly staggering if one takes into account that the biennale lasts for almost six months. In the same year, solo shows of Pipilotti Rist at the Museum of Modern Art or Cai Guo-Qiang at the New York Guggenheim museum attracted more visitors. But in terms of the audience’s composition, the biennale is hard to beat: functioning as the art world’s equivalent of Cannes, which on the side of its film festival hosts the main international platform for the movie business, the entire industry convenes in Venice.

Obviously Venice’s importance to the art industry



Visitors to the 2007 Biennale in front of one of the Sigmar Polkes bought by François Pinault

is related to its attractive location and to its status as the oldest biennale which has served as a (counter) model for the dozens of other biennials established in the last couple of decades. But another reason is its proximity – both in time and place – to the centre of the international contemporary art market: Art Basel, which opens only a week after Venice (the two usually follow each other) and attracts a largely similar crowd of art professionals.

The structural position of Venice and Basel in the global art world overlaps in several respects. First of all, presenting an instant overview of today's worldwide art production, they provide a means for both curators and collectors to economise on search time. This is particularly important for the art market's clientele whose scarcest resource is not money but time: travelling regularly to individual museum or gallery shows out of town has become a luxury that the richest can no longer afford, unlike the leisure class of yesteryear who used to be the main customers. Visiting fairs and biennials in order to save time and travel costs is all the more important in an art world where "local" has become a pejorative term. As *The Economist* put it: "local artist" has become a synonym for insignificant artist ... 'International' is now a selling point in itself." In other words, a global habitus is expected from all members of the art industry. Both Venice and Basel enable this habitus by temporarily bringing the globally consecrated supply of art under one roof.

Second, the continuing success of both Basel and Venice in attracting art crowds should be seen in the light of a wider culture of events. Within this culture, the consumption (but not necessarily acquisition) of contemporary art is packaged as a social and cultural experience, livened up by the artistic performances, seminars and round table discussions of experts that have now become standard elements of both the fair and the biennale.

Third, Basel and Venice derive their central role in the art industry from the latter's status-driven nature: both the biennale and the fair are finely tuned tools that reflect and reproduce status hierarchies. They distinguish visitors by providing selected groups with VIP treatment, access to pre-(and pre-pre-) openings, after parties on expensive billionaire's yachts, or visits to the villas of collectors living close by. Those types of access are broadly recognised as signs of status among the cultural elite: the more exclusive the venue, the more status access to that venue produces.

In short, asking what the impact of Venice on the art market is poses the wrong question: without institutions such as the biennale, it is impossible to conceive of a contemporary art market to begin with. And vice versa: without the art market, the biennale would no longer flourish. To annul the Venice Effect therefore seems impossible, but if the curators and commissioners really want to try, here is the recipe: follow Ireland's example of appointing art dealers as the commissioners and curators; invite artists with a chock-full rather than a virginal curriculum; postpone the opening a couple of



weeks so that it can no longer be attended as part of a 21st-century Grand Tour that also includes Art Basel.

It is unlikely that any of these measures will be adopted soon by the biennale's organisers. And why would they? It may go a long way towards decoupling Venice from the market, but at the cost of turning the institution into an irrelevancy. In the end, the problem may not be the Venice Effect itself, but the art world's anti-commercial ideology, which makes curators uncomfortable about this effect. As Curiger argued recently in an interview: "What happens to an artist once you've approached him or her is beyond your control. Artists are not throwaway objects – if they sell well, does that mean that their work doesn't mean anything any more?" ■

Olav Velthuis is assistant professor in the Department of Sociology and Anthropology of the University of Amsterdam.

He is the author of *Imaginary Economics: Contemporary Artists and the World of Big Money* (NAI Publishers, 2005) and *Talking Prices: Symbolic Meanings of Prices on the Market for Contemporary Art* (Princeton University Press, 2005).