

The Value Industry

Reflections on Art, Money and Celebrity

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extract from **Chapter 1: An Impossible Proposition**

It is more difficult than ever to tell the difference between important art and expensive art, real art and a mere simulation, clever art and banality. But it is possible. If we grasp with both hands the elusive concept of value, we can see clearly the difference between art which is good because it expensive and art which is expensive because it is good. The tussle between quality and price is just one way in which the value industry – the vehicle by which value is created from almost nothing of worth – makes us think that art is both nothing more than a mere commodity and anything but that.

At one point in time, in the foyer of Christie's New York, at over nineteen feet tall and made of painted steel, Jeff Koons' *Balloon Monkey (Orange)* (2006-2013) presided over daily business. Something that, at first sight, appeared to be another monumental Koons sculpture, turned out to be so much more. According to artist and curator, Robert Storr, it was a grisly metaphor for the art market – an inflatable thing that cannot be deflated¹.

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Contemporary art is an extremely multifaceted thing, for whilst it is more than pickled sharks and unmade beds, it is also more than a romantic myth or a simple pleasure – art is an integral part of mass culture and a commodity on a market that claims to be the arbiter of value. But although there often seems to be a mismatch between the price of art and its cultural worth, the humdrum madness of the artworld still preserves what is centrally valuable and worthwhile about art, namely that it is a source of intellectual stimulation and aesthetic pleasure.

¹ Quoted in Charlotte Burns, 'Year of Record Sales, But at What Cost to the Art?', *The Art Newspaper*, issue 246, January 2015.

Nonetheless, contemporary art is in crisis: so much of what appears in galleries is fodder for the market, designed to fill space and time with confections and conceits to line the pockets of dealers and artists. This is due, in no small measure, to the operation of the value industry, which creates value to be sold on for a profit, and so on, circular and maddening forever. Value is concocted from thin air; it is just numbers in the ether and the ghost in the machine; it is reason and passion, but remains fluid, slippery and insidiously efficacious. The art which commands such high prices is, after all, more often not made from cheap materials of at best pedestrian interest and value. And yet, when touched by the hands of an artist, this workaday matter – some household gloss paint, a dead fly, an old pair of shoes, some offcut plastic – becomes art, and becomes valuable. This book aims to unpack what this value really is and explore how it is created, central to which is an understanding of the value industry.

Arthur Danto, the singular apprehender of the philosophical nature of art, stated it perfectly when ruminating on Warhol's Brillo boxes: 'Is this man a kind of Midas, turning whatever he touches into the gold of pure art? And the whole world consisting of latent artworks waiting, like the bread and wine of reality, to be transfigured, through some dark mystery, into the indiscernible flesh and blood of the sacrament?'². Art, he thought, is not magic or miracle, but it certainly seems that way when something that looks like a mere Brillo box suddenly becomes valuable. At the time when Danto was writing, and Warhol was just becoming famous, in 1964, the world was looking at the tip of a very large iceberg that would only grow ever more ginormous as the seas of art were frozen by ever more money and fervour.

Intensive, prolonged exposure to contemporary art and the market leads one to realise that art is all about value precisely because nobody knows what value is. With this essential gap in our knowledge, the market can trade in the conceit that value is simultaneously intrinsic to art and extrinsic to anyone's understanding of it, so the product always comes with in-built philosophical kudos.

In order to get to grips with how and why art is valuable even when it is irreducibly locked into the framework of money and celebrity, it is necessary to see value as operating at two levels. First, there is cultural value, which is the status of art as a cultural product that stands outside market forces of exchange and is valued in and of itself as art; and second, there is economic value, which is the price an artwork must have for the purpose of exchange, since art must be exchanged³. Given that these two kinds of value are real and present in

² Arthur C Danto, 'The Artworld' *Journal of Philosophy* LXI, p. 571-584, (1964), 580-581.

³ This distinction is derived, with some modification, from Isabelle Graw, *High Price: Art between the Market and Celebrity Culture* (Berlin: Sternberg Press, 2009).

contemporary art, it is necessary to investigate the links between cultural and economic value, as well as to explore the points at which they diverge.

The interesting fact is that the contemporary artworld does not make sense as either an economic or cultural proposition: there is too much money for it to be about art, but there is too art for it to be about money. Once we see contemporary art through the lens of a pervasive tension between cultural and economic value, we begin to make sense of things that are otherwise baffling: how Damien Hirst can command the destruction of a spot painting, why it is important to save Tracey Emin's bed, how a fake Richter can be as valuable as a genuine one, or why celebrities who make bad art can be considered worthy artists. The artworld is, in the final analysis, an impossible proposition: a multi-billion dollar industry, safer than oil and equities, and yet it is the machine that produces the next Picasso and adorns our museums with the wonders of the past. It is only by untangling the concept of value that we can begin to resolve this impossible proposition into something palatable which accurately characterises how we engage with contemporary art.

The fact of culture's entanglement with economics is obscured by an operative mythology, propagated by the art establishment. That is, the strife between culture and economics – and therefore the foibles, inconsistencies and injustices of their union – is glossed over on an industrial scale by gallerists, curators, auction houses, critics and artists who weave the myth that there is no difference between culture and economics. When you go to an exhibition at Gagosian or any other commercial gallery, it is just that – an exhibition – and not a sales pitch or an investment opportunity. The myth blurs the lines between cultural and economic value so assiduously that we hardly notice the tectonic plates shifting in favour of history, so when the history is written it will be worth every penny. The reason for this is that we must believe in the market's power to maintain a positive role in the artworld – although it is all about money, that money is sustaining the existence of art, which is a sovereign good. Thus, the myth says, the art market is eternally justified by its continued contribution to culture.

Moreover, a sufficiently complex and/or well-marketed myth, such as that of Charles Saatchi's market dominance or Julian Schnabel's genius can compensate for, even gloss over, the fact that beyond the myth there is almost nothing of value. Nonetheless, the prevailing mythology, like the prevailing wind, carries the ship of commercial success along as if on its own steam.

Aesthetics is simultaneously part of this mythology and an antagonist to it. Aesthetics occupies a central role, for it is only its singularity in human interests that justifies the existence of art. The myth of the goodness of the market aims to preserve this, but that endeavour is

fraught with tension. Aesthetics is important because it is a central way in which we apprehend the world; it is through aesthetics that we seek and discover meaning, expression and, ultimately, pleasure. This conception of aesthetics is brilliantly summed up by Matthew Collings, who says ‘art is partly ideas and theories, but it is only anything at all because of the way it looks’⁴. That is, the way art looks is the locus of what it means, what it makes us feel, what it makes us think, how it affects our lives, the pleasure or pain it elicits and the very reason we bother with art at all. The problem comes when we consider that, on the one hand, aesthetics transcends economic principles, and, on the other hand, must be co-opted by them if art is to be a commodity. As such, the mythology of ‘the Artist’ or something like ‘aesthetic experience’ as romantic cornerstones of humanity are weaved, sometimes incongruously, into the fabric of the art market. As Graw says, the economics of art is all about putting a price on the priceless. The great coup is that very often it works. And we can only unveil this coup if we apply the distinction between cultural and economic value to the great mystery of contemporary art: how the artworld creates value out of almost nothing at all and how the practice of contemporary art became the value industry.

Collings sometimes seems to think that aesthetics is all there is to art, but, and surely this is implicit in his thought, it is the gateway to everything else, including meaning and value. Since aesthetics is the First Principle of art, ruminations on value often take it as a given, as something always already apprehended when we make any judgement at all. From this theoretical standpoint, commercial art generally looks a lot better, and as Bret Easton Ellis said, ‘the better you look, the more you see’⁵.

Art is valuable because it is aesthetically desirable and it is worth remembering that it is this, and this alone, that the market is putting a price on. All the money, celebrity and spectacle that we see unfurled daily in the name of art is in some ways essential to it, since contemporary art can only be the product of its socio-historical epoch, but it is also a smokescreen which capitalism has developed in order to justify the madness of the market. Underneath all of that there are aesthetic ideas which are operating even where they seem so impossible – in the mind of Jeff Koons, in the pockets of Charles Saatchi and in the halls of Gagosian.

If you listen to Theodore Adorno, he will tell you that the culture industry is abominable mass deception⁶. The ‘culture industry’ captures that moment when culture gave over to mass

⁴ Matthew Collings, *The Rules of Abstraction* (BBC Four: 4 September 2014).

⁵ Bret Easton Ellis, *Glamorama* (London: Picador, 1998).

⁶ See Theodore W Adorno and Max Horkheimer, ‘The Culture Industry’, in *Dialectic of Enlightenment*, trans. John Cumming (London: Verso, 1997).

production: the advent of audio-visual recording, according to Walter Benjamin, hailed the mechanical reproducibility of art, which spawned a whole new industry in which culture could be produced and exchanged on a mass scale⁷. For Adorno and Horkheimer, this spelled trouble for so-called high art – music, painting, poetry – because it gave the masses such easy access to so-called low culture, such as cinema and popular music, that they would fail to engage with high art altogether. The situation today is even worse than an irascible grump like Adorno could have imagined, for what we used to high-mindedly call the ‘culture industry’ has morphed under the dual powers of postmodernism and capitalism into something altogether more sinister. We now have a value industry, which displays a blithe indifference to culture and yet still manages to produce something that remarkably resembles it.

The value industry is a step beyond its forbear, the culture industry, in one crucial respect: it is the product of postmodernism, which flattened the contours of culture, blurred the lines between high and low art until this culture industry is all we have⁸. In the culture industry, everything, from cinema to music, claimed to be culture, but it was not, according to Adorno and Horkheimer, of equal value. Rather, they said, within this mass of generic culture, there was a distinction between high and low culture, with the former being gold and the latter mere slurry. This was before postmodernism. One of the central characteristics of postmodernism is the structural flattening of the contours of culture, so that ‘low’ culture became high. For example, on the swish of Warhol’s magic whip, the gutter art of advertising illustration – practiced only by failed artists and charlatans – was elevated to the echelons of high art (fine art, as we call it) with the Brillo box and Campbell’s soup can works. The culture industry had been usurped by a value industry that now gave low culture high status.

The value industry starts to emerge at precisely the point when Warhol begins to put a high value on low culture⁹. The main product is now not culture at all, but pure, abstract, value. It is about producing something that will be valuable to both the masses (ie cultural value to the audience) and to the elite (ie economic value to the collectors and the art market). It is, as Danto said, turning everyday materials into the gold of art. Then, suddenly, everything is (potentially, at least) valuable and there is no distinction between high and low culture because, as Pop Art, neo-expressionism and the YBAs would go on to demonstrate again and again, anything can

⁷ Walter Benjamin, ‘The Work of Art in the Age of Mechanical Reproduction’, in *Illuminations*, trans. Harry Zorn (London: Pimlico, 1999).

⁸ For such an account of culture, see Fredric Jameson, ‘Postmodernism and Consumer Society’, in *The Cultural Turn* (London: Verso, 2009).

⁹ The practice of taking the everyday and elevating it to the status of art begins, of course, with Duchamp, but Warhol was the first the actively and successfully monetise it. See Chapter 4 for more on this.

be transfigured into culture, and therefore into pure value. That is the value industry in which we now operate¹⁰.

We can believe in contemporary art only if we understand it as a product of this capitalist machine that seeks to produce, above all else, value. It is a machine which fashions value out of dust, detritus and dreams, or anything that can be monetised and marketed under the guise of culture. The value industry says, ‘If you can dream it, it can be made. If you can make it, it can be sold!’. And so, Tracey Emin unmakes her bed and Martin Creed forgets to fix a faulty light-fitting and value is conjured from almost literally nothing.

Ever optimistic, we will see that art survives the market precisely because it is absolutely necessary to humanity, whereas the market is only ever contingent. That is, in a society where we do not have formal mechanisms of unequal exchange such as markets, we would still sing songs, draw pictures and tell stories¹¹. This is because art is an essential part of the fabric of what it is to be human, no matter what price can be put upon it and no matter how much rich critical prose can be written about it.

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¹⁰ For example, the very fact that a blog – a collection of mindless opinions written online by a nobody for no reason other than self-indulgence – can make money typifies the 21st Century stage of the value industry.

¹¹ This notion elucidated by Matt Ridley, *The Rational Optimist* (London: Fourth Estate, 2011).