

## Marketing Masterpieces

Art, in particular old masters and impressionist paintings, has long been considered a sound and solid investment, virtually guaranteed by an art market to be maintained and increase in value. In the past six months prices have rocketed sky high. The Windsor jewels went for £31m, nearly 10 times their estimate. Fortunately the Pasteur Institute's Aids research will benefit. The sale of Van Gogh's 'Sunflowers' for £25m in March demonstrates how art as an international commodity has caught the attention of 'new money'.

Several factors contribute to this phenomenon. The commodity is finite: there is a known, limited quantity. The pedigree of the art work must be faultless - fakes undermine confidence. The few 'old masters' which come on the market command attention - and a high price.

Dealer power plays a large part in this. The rising price of art, and its increased investment value, has provoked dealers to ensure authenticity and to 'buy-in' works that come up at auction which do not reach the desired price. These are later released at a suitable time, often with additional stamps of academic approval.

Dealer power was much in evidence in the recent British Art Exhibition at the Royal Academy. Any artists favoured by dealers were over-represented. Cork Street, the market place of 'new art', is currently in the doldrums, overtaken by a staunch conservatism.

The most fickle factor however, is that of 'new money' and international finance. The boom in the stock market has been worldwide, and huge fortunes have been made. The overseas buyer of 'Sunflowers' preferred to remain anonymous, while the wildly-inflated prices paid for the Windsor trinkets also came from buyers all over the

world. 'New money' flows free in Japan, America and in this country, sometimes in the direction of art.

The Japanese are particularly keen on impressionist work, seeing in it oriental influence, a section of Western art to be colonised. In America the Getty Museum has vast sums to spend every year, otherwise lost in tax. In this country Doris and Charles Saatchi and the Sainsburys are regular patrons of the arts; Alan Sugar of Amstrad is also extremely wealthy with 'new money'. For the wealthy few, buying 'Sunflowers' would have presented little financial problem.

'Sunflowers' was offered by the owners to the nation: alas it could not afford it. The people will also be the losers when the BR Pension Fund puts its art collection on the market. Much of it is currently on show in public collections (where it is cared for and insured) but on current sale prices none will be in a position to purchase. •

*Emmanuel Cooper*



Mega prices: van Gogh's 'Sunflowers' sets a world record price at Christie's