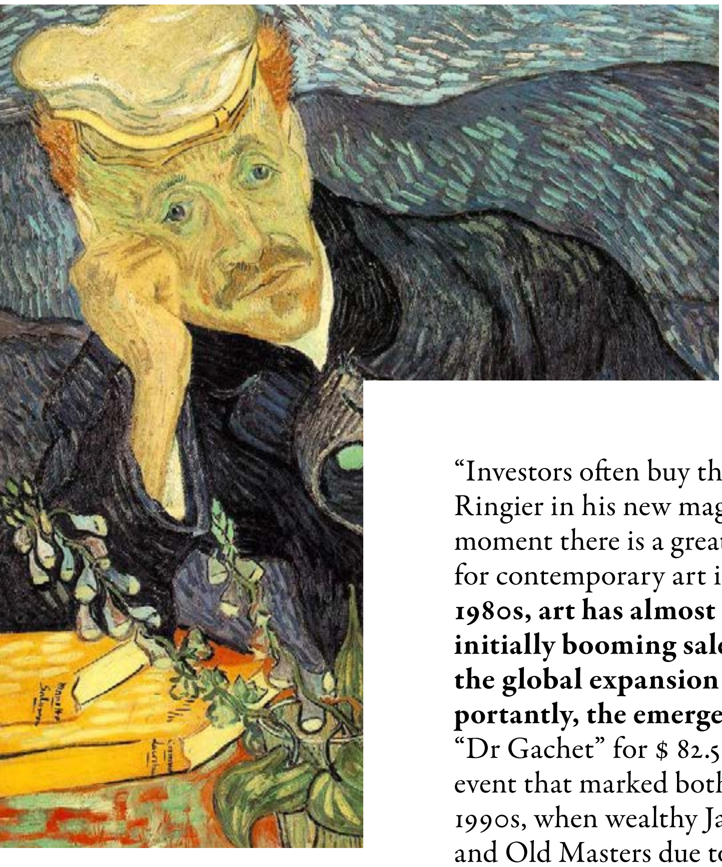

Vincent van Gogh: *Portrait of Dr Gachet* (detail of the first version), 1890. Oil on canvas, 68 × 57 cm

Art as an Investment Today

"Investors often buy the wrong things," says publisher and art collector Michael Ringier in his new magazine, which bears the memorable name *Interview*. "At the moment there is a greatdeal of undervalued art on the market, while the market for contemporary art is in part completely overvalued." Is that true? **Since the 1980s, art has almost unceasingly developed into an asset class. This is due to initially booming sales, increasing buyer numbers over several generations, the global expansion of markets to Asia and Latin America, and, no less importantly, the emergence of price databases**. The sale of Van Gogh's painting "Dr Gachet" for $ 82.5 million to the Japanese buyer Ryoei Saito in 1990 was an event that marked both a peak and a turning point. For at the beginning of the 1990s, when wealthy Japanese collectors suddenly withdrew from Impressionists and Old Masters due to an economic downturn, there was a serious art market crisis. In Europe and the US, it was almost impossible for several years to sell contemporary art from galleries, even after young painting had been astonishingly successful in the 1980s. But by the mid-1990s, art markets began to expand again. **To this day, they appear almost crisis-proof with annual sales in the range of $65 billion — despite dire forecasts or, as Iwan Wirth sharply put it, desire for "apocalypse porn."** There was the economically dangerous bankruptcy of New York's *Lehman Brothers* on September 15, 2008. Yet, that very evening and the following day, Damien Hirst was able to sell more than 200 fresh works from his studio for around £111 million through the London auction house *Sotheby's*. Many new bidders from the Arab region were already appearing at that time. Hirst's London gallery *White Cube* was officially not in the running, but the artist had already been working with Jay Joplin when Joplin, though owning a *Jaguar* and good suits, did not even have gallery spaces of his own. New York auction houses, which had also held their breath during the *Lehman* debacle, had the memorable experience of witnessing what appeared to be an emancipation of high art from the global economy. **"Invest in blue-chip art" was increasingly becoming a catchphrase. The excitement was about something more than luxury; it was about cultural and hence spiritual and intellectual leadership. Since the early 2000s, with Ringier participating, more and more contemporary collections came into being, albeit in a somewhat uniform fashion**. Charles and Doris Saatchi, Thomas Ammann, and the *Alexander Schmidheiny Foundation* had set an example from the 1980s onwards. They bought contemporary art that was being shown or slated to be shown in British, Dutch, and Swiss public art galleries, and bought it as early as possible, so that as pioneering collectors they were present as lenders at the opening dinner.

Saatchi's private museum in North London initially showcased artists such as Donald Judd, Brice Marden, Cy Twombly, and Andy Warhol, followed by Jeff Koons and his New York colleagues. In the early 1990s, they elevated the "Young British Artists" around Damien Hirst to global fame. Just to hear a voice murmur "Doris was here" in leading institutions like the *Whitechapel Art Gallery*, the *Kunsthalle Basel*, or the *Stedelijk van Abbemuseum* Eindhoven seemed a warrant that all was well in the world. Many museums at that time started exhibiting contemporary art, and for the first time, universities were assessing the historical significance of living artists. Whenever the market value of works in the Saatchi's collection started to rise after having barely emerged from the artist's studio, Charles Saatchi would sell a few, causing dismay among many artists but also spurring the interest of initial art investors. Allegedly, painters like Sandro Chia were ruined by the collecting couple. Today — we are making an almost forty-year leap — *Saatchi Auctions*, now an exhibition gallery without a particularly distinguished reputation, advertises with the slogan "discover 3,273 paintings by top emerging artists from around the world." Unfortunately, this already brings our analysis to an abrupt conclusion. **Who, for heaven's sake, would want to own 3,273 paintings? Who seriously believes that there are or could ever be thousands of "emerging artists"? Who can handle the ever-increasing glut of "contemporary art" on an annual, monthly, weekly, almost hourly basis?** There are supremely gifted curators like Hans Ulrich Obrist, known as HUO or "Hurricane," a personality with an apparently boundless memory, and an art historian of exemplary curiosity and integrity. Yet the now countless contemporary collections are falling in value, even if the official prices of the artists remain high. This was exemplified by the sale of 26 works from the *De la Cruz Collection* in Miami in 2024. Works by Peter Doig, Sterling Ruby, or the highly acclaimed Christina Quarles from Los Angeles, a model case for "themes of racial and sexual identities, gender, and queerness," underwent a "haircut valuation," bringing in only a third of the expected estimate at auction. This occurred even after the private museum had offered free admission to visitors for fifteen years. Investors often buy the wrong things, said Ringier. He is expressing a truth that not many want to hear: **The ever-expanding markets for contemporary art can no longer guarantee a return as long as works that have the capacity to shape the era are increasingly given no more than quick and tangential notice, while the total annual turnover of $65 billion has stagnated for too long**. Where is the center? "Nowadays the young collect moments, not physical objects," writes *The Art Newspaper* concerning the youngest generation. We do not believe that. We are still interested in proper investments in the very best art. In September, we will return to this theme. For now, we wish our readers a good summer.

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