

Philistinism and crime in the German art market

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On March 16, a district court in Essen announced its verdict on art consultant Helge Achenbach, who enriched himself to the extent of millions of euros in the course of supplying modern art to extremely wealthy clients.

Proceedings at the Essen court's main criminal chamber opened in December 2014. Achenbach was accused of fraud, forgery and embezzlement. He confessed to the crimes and was sentenced to six years in prison for offences that included 18 cases of fraud.

In January, a Düsseldorf court ruled that Achenbach had to repay nearly €20 million [\$US 22 million] to the family of one of his clients.

Achenbach convinced his rich, but not exactly art-savvy, customers that their money was well invested in art purchases, and thereby amassed a fortune for himself.

The court was not primarily concerned about art and the various forms of its exploitation, but rather how to recover the money swindled from rich and super-rich victims who had little knowledge of the art works they were buying. Nevertheless, the trial raises some important questions. It sheds light on the absurd condition of the contemporary art market and those involved in it.

Helge Achenbach, born in 1952 and son of a railway official, studied social pedagogy in Dusseldorf, was chairman of the general students' committee and member of the SHB social democratic student organisation in the 1970s. In 1973, he and a colleague opened a gallery that mainly exhibited works of artists from the Zero art group (Heinz Mack, Otto Piene and Günther Uecker), and then began working his way up in the gallery business. From 1977, he operated as an art consultant along the lines of the US model, i.e., as a commercial art advisor.

In this role, he established worldwide contacts with recently emerging contemporary artists and promoted their works to newly prominent buyers and museums. During the *Documenta IX* exhibition in 1992, he cooperated to bring Jeff Koons's monumental sculpture

Puppy to the attention of the public at Arolsen Castle in Hesse, Germany. He advised numerous businesses on the expansion of their art collections and also assembled a number of collections himself.

One of the commissions undertaken by his art consultancy firm was the decoration of the newly erected Klöckner building in Duisburg, involving a contract worth 600,000 deutsche marks. In 1992, Achenbach opened a new company headquarters on the Kaiserwerth market in Düsseldorf. It was designed by architect Rudolf Küppers and covered 2,000 square metres of office space. As economic conditions changed, companies became more cautious about their spending on art, and Achenbach began to focus his business more heavily on wealthy private clients.

He used the money earned this way to try his hand in the catering industry, establishing several so-called "Monkey" restaurants, clubs and pubs named after artist Jörg Immendorff's monkey sculpture, but this proved to be a "loss-making enterprise". As he admitted to the court in Essen, recovery of the losses incurred in his restaurant venture was what spurred him into demanding his clients' payment of hidden surcharges and forging invoices on a photocopier.

Achenbach was even less successful in his sideline role as president of the Fortuna Düsseldorf football club for several years. From 2002 to 2014, he was business manager and co-owner of the private Rheingold Collection. He brokered, among others, the works of Jörg Immendorff, Thomas Struth, Gerhard Richter, Andreas Gursky, Thomas Schütte, Bernd and Hilla Becher, Tony Cragg, Daniel Richter and Donald Judd. One of his most important business clients was the billionaire Aldi supermarket chain heir, Berthold Albrecht, one of Germany's wealthiest individuals.

In 2011, the Berenberg Bank and Achenbach formed the Berenberg Art Advice consultancy, which addressed itself

to wealthy families and collector dynasties. But the company was soon dissolved in mid-2013, due to friction between the shareholders. Forming the background to this was a deal struck with the pharmaceutical entrepreneur, Christian Boehringer.

From 2012, allegations of fraud were raised against Achenbach. The widow of Berthold Albrecht (who died in November 2012) formally charged him with cheating her husband of around €60 million during the assembling of his art and vintage car collection.

Bernd Viehof, former co-owner of the Allkauf retail chain, also opened criminal proceedings against him. This was said to involve several works of painter and sculptor Georg Baselitz, which were promoted by Achenbach. The extent of the alleged damage was between €1.5 and €2.5 million.

Due to the allegations of fraud, Achenbach resigned as business manager of the Rheingold Collection on July 8, 2014, and his share in the value of the collection was suspended by the public prosecutor. His various companies had to file for bankruptcy.

On January 20, 2015, the 6th civil chamber of the Düsseldorf district court ruled that Achenbach had to pay damages amounting to nearly €20 million to the five heirs of Berthold Albrecht. The court considered it proven that Achenbach had ignored the agreed value of the commissions and invoiced unjustified surcharges to the extent of this sum without informing Albrecht.

During the Essen trial, Achenbach showed remorse and apologised several times. In his closing remarks, he tearfully said that he was ashamed of his actions. He knew that he could expect a prison sentence. His attorney argued, among other things, that Achenbach had basically harmed nobody, because the Aldi heirs could have easily covered the sums involved.

The harm done by Achenbach—and this applies not only to him, but also to a large number of agents engaged in the sale of artworks—affected particularly artists and ultimately all who have a genuine interest in art.

Achenbach was only able to swindle his customers because, in recent decades and coincident with the accumulation of obscene wealth by the super-rich, the art market has been promoting art more and more as a source of investment or opportunity for speculation. The works of certain artists have been selling for increasingly ridiculous prices. Buyers are often only interested in a works' value on the open market. This made it easy for people like Achenbach to make their money.

The trial revealed that the art trade is increasingly little

more than an investment business for billionaires. Art works promise high returns in view of the market trends of the last few decades. Rich oligarchs, usually lacking any serious understanding of art, pay consultants who inflate market prices in their own interest.

When the works then disappear into vaults or private museums, they are lost to the greater population. No one is any longer able to study or enjoy them. Their function of aiding us to see, understand and interpret the world is completely undermined.

On the one hand, artists are promoted and their works highly prized, even though it remains unclear whether these works will continue to be regarded as art by future generations. Is it likely that anyone will be interested in a few years' time in the large-scale sculpture of a dog by Jeff Koons, currently valued at \$58 million? Other thoroughly serious artists, however, are at best known only to people in their immediate environment and often live in a state of deprivation that barely allows them to develop their artistic skills.

On the other hand, the astronomical prices make it increasingly impossible for museums in the public domain to purchase important works of art with finances from their state-funded budgets. More and more, they become dependent on loans or donations from wealthy patrons, which are often conditioned by the patrons' personal taste or the financial interests of their "art consultants".

Only a socialist transformation of society can liberate art and artists from the capitalist market and provide them with the conditions needed to develop their creativity.



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