The art world in 2021: Artists struggle for rent and food, billionaire collectors thrive

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"What has become of art, poor art, amidst these disorders?"—painter Eugène Delacroix, July 1832 (in quarantine)

The COVID-19 pandemic has acted on the art world as it has in every other important sphere of life, to accelerate or amplify processes already well under way. By and large, global ruling elites view any activity not directly and immediately related to amassing profits or driving up share values as useless and counterproductive. Worse still, as social tensions mount, there is always the danger that artists may speak impermissible truths and gain a significant public hearing.

Decaying capitalism, as we have noted, has proven during the pandemic to be the deadly enemy of art and culture. Everywhere the powers that be fear "superstitiously every new word." As far as they are concerned, the artists can go hang themselves.

This essential truth is not controverted by the empty public relations efforts and occasional government handouts designed to allay or subdue opposition for as long as possible. The various studies pointing to the devastation in the arts often have as their subtext a concern—with explosive developments that took place during the Great Depression and similar episodes in mind—that the official indifference or hostility may have a radicalizing impact on writers, actors, painters, musicians, photographers and others—the younger and more disadvantaged ones in particular.

An aspect of the authorized public relations campaign in the US in particular is the miserable attempt to prove to recalcitrant sections of the corporate oligarchy that art work is both "respectable" and socially "positive" and that, in the final analysis, financial support for artists is "cost-effective."

Along these lines, an analysis put out earlier this year by the Recovery Support Function Leadership Group (RSFLG), a bureaucratic mouthful "made up of multiple departments and agencies across the [US] federal government that work together to help communities recover from a disaster," argues that the arts are "integral to the social, civic, and economic wellbeing and vitality of our nation."

The RSFLG asserts that "arts and culture" contribute 4.5 percent of American gross domestic product, "an amount larger than the share contributed by industries as diverse as construction, agriculture, and transportation." The language is barren throughout, but the concerns are real. The "devastating toll" of the pandemic on artists, the study observes, "has potential repercussions for other segments of the U.S. economy … and society as a whole."

The bare facts alone don't begin to convey the degree of devastation, but they are a starting point.

Providing a small but telling glimpse into the depth of the crisis in the US, the Artist Relief Fund, established by a coalition of organizations last year, has received over 130,000 applications from artists in every state and territory in 10 fields: "Craft, Dance, Design, Film, Media, Music, Theater & Performance, Traditional Arts, Visual Art, and Writing. Applicants demonstrating the most severe needs in four categories—rent, food, medical, and dependent care—have been prioritized."

Stating the obvious, Jennifer Benka, president and executive director of the Academy of American Poets, a coalition partner, noted that as the pandemic "continues to rage, it has become clear that there is no real safety net for artists"—or for any other vulnerable social layer, she might have added. As institutions reopen, Benka continued, "they do so without their education departments, positions once filled by artists. Musicians have seen their gigs vanish, and poets and writers who lack healthcare find themselves more vulnerable than ever before."

According to the aforementioned RSFLG study, the jobless rate for art directors, fine artists and animators increased from 2.1 percent in 2019 to 9.3 percent in 2020, for actors the rate went from 24.7 percent in 2019 to 52.3 percent in 2020, for dancers and choreographers from 10.7 percent to 54.6 percent and for musicians, singers and related workers from 1.1 percent to 27.1 percent. Much of this job destruction and structural "downsizing" will prove, in fact, to be permanent.

An update posted March 23, "COVID-19's Pandemic's Impact on The Arts," based on material gathered by Americans for the Arts and others, reports that financial losses to nonprofit arts and culture organizations in the US stand "at an estimated $15.7 billion, to date." Some 99 percent "of producing and presenting organizations have cancelled events—a loss of 490 million admissions and $15.5 billion in audience spending at local businesses (e.g., restaurants, lodging, retail, parking). The total economic impact of organizational and audience-spending losses is $5.3 billion in lost government revenue and 913,000 jobs no longer being supported."

Artists "are among the most severely affected workers by the pandemic." The update estimates that 63 percent of artists or creative workers "became fully unemployed in 2020 and have lost an average of $37,430 each in creativity-based income since the pandemic's onset." Ninety-five percent of artists report loss of income, while 78 percent have "no post-pandemic financial recovery plan," 50 percent "have been unable to sell/distribute their creative product" and 74 percent "have had their events canceled."

While the artists struggle for access to "rent, food, medical, and dependent care," the world's parasite-billionaires thrive and continue to swallow up a greater and greater proportion of the globe's art and antiques.

"The Art Market 2021," an Art Basel and UBS report prepared by Dr. Clare McAndrew of Arts Economics, makes eye-opening reading. In his introduction to the study, Noah Horowitz, Director Americas of Art Basel, the for-profit, privately owned and managed international art fair staged annually in Basel, Switzerland, Miami Beach and Hong Kong, suggests that, even while global arts sales fell by 22 percent, the "telltale finding of this year's report is the tremendous ascent of online [art] sales, which doubled in value from 2019 to 2020, accounting for one quarter of total sales."

In fact, Horowitz points to an even more "telltale finding" further on in the same paragraph, that while the pandemic created havoc for art fairs, galleries and auctions, and all those economically dependent on those events, "wealth gains at the highest end of the spectrum … bolstered the market, especially as confidence grew and global economies normalized in the second half of the year."

Indeed, much of the "Art Market 2021" survey is taken up by a concern for and consideration of the state of economic health and well-being of the fantastically wealthy. The art market centers entirely on them.

Riches confer great powers on the inartistic and philistine, on the most arrogant and insensitive human beings. Money, as Marx explained in 1844, "is the general *confounding* and *confusing* of all things—the world upside-down—the confounding and confusing of all natural and human qualities." In a rational world, if "you want to enjoy art, you must be an artistically cultivated person," Marx pointed out. In the present social order, however, where the "extent of the power of money is the extent of my power," that which "is for me through the medium of *money*—that for which I can pay (i.e., which money can buy)—that am *I myself*, the possessor of the money." So for Dr. McAndrew and her colleagues, and logically so in the existing conditions, the moneyed are the only people possessed of "real powers and faculties."

In the section on "Global Wealth and Collector Perspectives," the report notes an accelerating trend has been the "crisis in wealth and income inequality," adding that "the post-crisis world is predicted to be more unequal in terms of wealth distribution." The pandemic has had "varying effects between different segments of society, with a higher burden on the most economically vulnerable people, including younger workers and women, those working in smaller companies and in less secure contractual arrangements and with lower wages, who were more likely to lose their jobs than those with higher wages and more secure conditions."

The study reveals that in 2020, "millionaires accounted for just 1% of the adult population worldwide but owned 43% of the world's wealth. The greatest adjustments year-on-year [2019 to 2020] were gains in the $100,000 to $1 million wealth tier, which saw an increase in both its share of the global adult population and their share of wealth of 2%."

In contrast to the 2008–09 global financial crisis, the art market survey indicates, during which the number of billionaires worldwide fell by 30 percent and their wealth plummeted 45 percent, in 2020, the number of billionaires rose 7 percent and their wealth grew 32 percent over the year.

We also learn:

> The top three wealthiest billionaires increased their wealth by 113% (and 98% for the year from December 2019 to December 2020);
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> The top 10 billionaires increased their wealth by 65% (and 50% for the year);
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> The top 100 billionaires increased their wealth by 61%;
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> The top 500 billionaires increased their wealth by 50%; and
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> All billionaires … increased their wealth by 39%.

The report asserts that although "not all billionaires collect art, the preservation and enhancement of wealth in this segment globally is very likely to have been one factor that stopped the art market from having a worse recession than it may have done."

Overall, surveys of 2,569 high-net-worth (HNW—worth at least $1 million in cash or assets) collectors "in 10 markets indicated active engagement in the art market despite the COVID-19 pandemic. 66% of those surveyed reported that the pandemic had increased their interest in collecting, including 32% who reported it had significantly done so."

As for those who work in the global art market, an estimated 116,000 full-time, part-time and contracted workers lost their jobs in 2020. But, as the Art Basel/UBS study indicates, such calculations "regarding employment and business structures carried out at the end of 2020 are … likely to understate significantly the true impact of the crisis, with business closures only occurring after a period of time, particularly as some businesses have been maintained through public support programs. As these are phased out, it is likely that more businesses may not be able to continue to operate."

This is the state and reality of the art world in 2021. Sharp conclusions need to be drawn.