

sales, and royalty and copyright payments) than the purchase by a particular collector of one particular object by one particular artist. As this new system evolves, there will be new leaders. In 1975 Tom Wolfe's polemical book *The Painted Word* pilloried the enormous power of Clement Greenberg, Harold Rosenberg, Leo Steinberg, and the social sycophancy of a world of modern art that was in thrall to these critics. Within a few years their celebrity had waned, and by the 1980s it seemed that dealers were the art stars. Today the art world seems to be led by extremely wealthy collectors who not only buy art in quantity for their private museums but also own auction houses and art magazines. The art-world leaders of the future might be the artists, reaching massive audiences with delivery systems as yet undreamed.

I am strongly convinced that, while there will always be commercially successful artists surfing trend waves, a very positive by-product of the recent boom years in contemporary art has been the championing by dealers of artists trafficking in all conceivable subject matter from the deceptively traditional to the outrageously transgressive. The battles of the last century (abstract v. figurative; new realism v. Pop) have given way to a multiplicity of styles and media, each with its own promoters accommodating a wide variety of tastes from the ethereal to the didactic.

What fascinates me is art that exposes issues of identity and transformation. This can be personal, geopolitical, or cross-cultural, such as the videos of the Danish artist Jesper Just, the videos and photographs of Iranian-born Shirin Neshat (fig. 46), the beautiful porcelain sculpture of Sydney-based Chinese artist Ah Xian, the haunting silhouettes of African-American Kara Walker (fig. 47), or the provocatively casual portraits by New Yorker Billy Sullivan. Unlike Paris, London, and New York in the twentieth century, there is no longer a geographical center as a crucible for emerging artists. Not atypical is the trajectory of the talented Fiona Tan, who was born in Indonesia, grew up in Australia, and now lives and works in Amsterdam.

One of the benefits of a diverse market, particularly when a shrinking economy chastens the big brand names, is freedom from fashion and orthodoxy. From Williamsburg in Brooklyn to Brunnenstrasse in Berlin, there are shoe-string galleries run by men and women passionate about showing artists as yet undiscovered working in a vast variety of styles.

Fig. 46

SHIRIN NESHAT

I Am Its Secret, 1993

RC print and ink

(photo taken by Plauto)

49½ × 33¾ in.

(125.7 × 85.7 cm)

© Shirin Neshat

Courtesy of the artist

and Gladstone Gallery





Fig. 47

KARA WALKER

Darkytown Rebellion, 2001

Cut paper and wall projection
187 × 450 in. (475 × 1143 cm)

Collection Mudam
Luxembourg,
Musée d'Art Moderne
Grand-Duc Jean
Acquisition 2004

WHAT VALUES OF ART ARE PERMANENT?

The Commercial Value of Art Is Subject to Prevailing Taste

Demand for any specific work of art, albeit by a well-known and coveted artist, may change, and its value may decrease over a period as short as two decades, just as within that same period artists fallen from favor can enjoy Lazarus-like resurrections. Short-term speculators who buy works only for resale can come to grief. A living artist may seem destined for a place in history one day and either because her later work fails to please or her style is replaced by a new movement, she is dropped from the “must-have” lists. Such artists can vanish into the mists of history, even though some are brought back to the market decades or even centuries later. In the 1960s a young sculptor, Lee Bontecou, enjoyed a few years of critical success and sales to major collectors and museums (fig. 48). She then left the prestigious Leo Castelli Gallery in 1972 to teach and

raise a family: "I needed a rest. I wanted to explore and expand. I just didn't want to have to make things, and finish things, and show them every two years."¹⁴²

In those days her action was not quite considered the career-killer it would be now. I cannot imagine those words coming from one of today's high-rolling artists. It takes a lot of courage for an artist to remove herself from the center of the marketplace to work according to her own timetable. Bontecou never stopped making art, but by the late 1980s, when the whole art market was booming, major early works by Bontecou were selling at auction for barely more than \$20,000. By 1993 the highest price paid for a large construction was \$46,000 and this "record" remained

Fig. 48

LEE BONTECOU
Untitled, 1962
Welded steel, canvas,
wire, and soot
67¼ × 71¼ × 30 in.
(172 × 182 × 76.2 cm)
Museum of Fine Arts,
Houston. Gift of D. and
J. de Menil



until 2003, when she was discovered or rediscovered by a new generation of collectors, and a small work sold for just under \$300,000. A year later a Bontecou sculpture sold for \$850,000.

Similarly, Hungarian-born French abstract artist Simon Hantai (1923–2008) went underground in the late 1960s when his work started to become fashionable. “I felt the art world was going wrong,” he said. “I was starting to receive commissions. . . . Society seemed to be preparing to paint my work for me. The prospect did not coincide with my desire.”¹⁴³ He basically remained a recluse the rest of his life, surfacing once to show his work in the late 1990s. In such ways artists of acknowledged achievement may exercise a need for seclusion that confounds both conventional wisdom and the art market speculators but not the serious collectors.

The purpose of art is not to make money for its owner. The capacity of a work of art to hold, lose, or increase commercial value is incidental to its meaning. This is not always easy for an investment-addled culture to understand. Comparing the investment value of works of art to that of nontangible financial instruments is not particularly helpful, although it is frequently done. A work of art, unlike a financial instrument, has an independent existence as an object. It may be saleable at any given time (or not), for more than was paid (or less). As a tangible asset, it can re-enter the market in one, twenty, or one hundred years time with the attendant possibility of a substantial increase in commercial value.

There is a widespread notion that the death of an artist automatically causes that artist’s prices to go up. What actually happens is that anywhere from one to ten years following the death of any moderately well-known artist there is a gradual review of his or her reputation with results that can be positive or negative for commercial value. The exact extent of the artist’s output becomes known more widely than during his or her lifetime, and this impacts supply, which affects value. The artist’s collection of his or her own work might be extensive and threaten to flood the market, or it might be meager and establish rarity. Some artists sustain great popularity in their lifetime by dint of their personality and salesmanship, without which their reputations dim. Art of the past, like art of the present, requires the enthusiasm of collectors and dealers, as well as public exchange, to sustain commercial value. In every generation

there are good artists who express their times successfully for their peers but somehow do not suit the taste of the next generation. A great artist makes work that speaks to generations yet unborn, often generations willing to pay good money.

Virtually all works of art that achieved some degree of merit when they were made retain marketability, although there may be periods of time when their commercial value is low. Certain collectors, out of penury or a spirit of adventure, search for overlooked and undervalued works of art and sometimes this leads to a re-examination of artists and art movements relegated to the minor leagues of art history. I am often asked by new buyers what it was that guided legendary collectors like Emily Tremain to make the choices they did. Translated, this often means, "How can I buy for one dollar today what I can sell tomorrow for one hundred?" I tell these individuals that true collectors do not make their choices by trying to second-guess history and the art market. They buy from reliable sources, spend what they can afford, and consider these amounts spent, not invested. By constantly looking they develop a degree of personal connoisseurship in their area of interest and are in frequent touch with other collectors, as well as dealers and curators who share their enthusiasms.

The Social Value of Art Is Constant

Five hundred years ago art was vital to all levels of society, from the princes who commissioned it to the peasants in whom it inspired piety and a sense of community. In the short and brutal lives of most people it was their only visual stimulation besides the living landscape.

Now art competes with manifold images, still and moving, that bombard us day and night in all aspects of our lives, social and otherwise—at work, at home, and in the street, even in our cars. What unique social value does art have that elevates it above this constant stream of visual stimulation?

A significant contribution to this special social value is the dedication of specific places for the installation and enjoyment of art—museums, galleries, and the walls of our homes and institutions, perhaps even our place of business. In fact, we have come to rely on where it is (a museum) to figure out what it is (art), particularly when it might be something (like Duchamp's iron bottle dryer) that could be mistaken for a less exalted

object. With dedicated spaces firmly entrenched in our culture, the social value of art is the necessary result of the gathering of two or more individuals for the general purpose of experiencing it.

I complain about the degrees to which some museums go to make themselves user-friendly, but I have to confess that if the net result is more people learning to take genuine interest and pleasure in works of art, then I am reluctantly on board with the paraphernalia and the hoopla, but please, more chairs and benches. For a few dollars most museums sell memberships that provide access to special events, private openings, and lectures that provide company of the like-minded. After looking at art with a friend or your family, talk about what you have seen that you like and what you do not like, and why.

The Personal Value of Art Is Paramount

How does a painting affect you? What happens when you look at it once quickly or twice slowly or return to it after a year or live with it day after day?

There are so many ways in which a work of art can act on our sensibilities from the primly intellectual to the wildly emotional. We can be grounded, or we can be elevated. We can be transported to the lowest depths of sorrow or taken to a high spiritual plane. We can be delighted, we can be baffled, we can be appalled, we can be refreshed, we can be moved to tears or spend the rest of the day smiling.

Whether it is an object you own or one you are inspired to return to in a museum, a work of art you can engage with on a purely personal level is a life-enhancing treasure. In fact, the noncollector has the easier road to enjoying art for art's own sake because considerations of commercial value are irrelevant. Despite this, many of us are seduced by our commodity-driven culture into confusing the dollar value of a work of art with quality, and thus we are drawn toward works we have been told are expensive at the risk of overlooking those whose commercial value is insignificant or, better still, unknown to us.

A docent at the Toledo Museum of Art in Ohio chastised me for being part of the machinery that established and promoted "art as money." She was in charge of their children's programs and said that when she started, in the 1960s, the children chose their favorites based on what they saw

and what they felt, but now they just want to see the van Gogh because the one thing they had learned at school or at the dinner table was that it must be worth millions of dollars. Innocence lost.

I have described the possibility that a collector can eventually engage personally with a work that he or she originally purchased as an investment or to impress or fill a particular space—just as a person can choose a mate for practical reasons and, after rubbing along together for a while, acquire some genuine affection. The intrinsic, essential value of a work of art does not always manifest itself at first glance. Collectors are often driven toward particular objects because of peer pressure and investment promise; they are happy to find “a good example” by the artist everyone else is trying to buy. At first they do not enter into the spirit of the particular work. This could take weeks, months, or even years of ownership. Sometimes it is sparked by the perceptive remark of a visitor who sees something we have missed.

Again, just as with a spouse, our understanding, appreciation, and sheer enjoyment of a work of art can grow, ebb, or simply change in nature as we develop a relationship with it. It is difficult to avoid being slaves to our culture and the opinion of others, but one advantage of spending serious time with a work of art is the ability to let go of external associations. The more celebrated a work, the harder it is to rid it of associations.

Approach Leonardo da Vinci's *Mona Lisa* (1503–05, fig. 49). That may be literally impossible because of the constant crush of camera-wielding tourists. Conceptually, it is even harder because the image has been so savagely bowdlerized that it is impossible to separate our experience of seeing the actual painting from the plethora of abuse it has suffered.

The essential nature of this undeniable masterpiece has been interpreted inconsistently throughout the ages. Commentators have reflected on La Gioconda's enigmatic smile in very different ways. The artist and writer Giorgio Vasari (1511–1574) was the first Barnum of the work. In his immensely influential *Lives of the Painters, Sculptors, and Architects*, Vasari declared himself enraptured by the face and particularly the pit of her throat, which was rendered so naturally that the viewer “cannot but believe he sees the beating of the pulses.” In the seventeenth and eighteenth centuries the *Mona Lisa* languished unsung, but in the late nine-



teenth century it was rapturously elevated to its current status “to what is now inelegantly called ‘iconicity’” by the writers Théophile Gautier in France and Walter Pater in England. Imitating nature was no longer the hook; they were moved to rapture by their own imaginings, which they expressed in purple prose. Pater found her “irresistible and intoxicating” with an “unfathomable smile, always with a touch of something sinister in it.” Oscar Wilde declared Pater’s words to be “criticism of the highest kind.”

Such opinion reigned until a daring reappraisal by Bernard Berenson in 1916. He tried to appreciate the formal, stylistic qualities of the work but ended up declaring *La Gioconda* “a foreigner with a look I could not fathom.” Three years later Duchamp made a coarse Dada joke at her expense and launched her century-long career as a kidnap victim, easy pickings not only for serious artists such as Warhol but also for computer mouse pads and an intrauterine device (*Mona Lisa-Cu375*). Millions have seen her image, yet who can truly experience her in the same way as the first visitor to Leonardo’s studio when she was completed? The genius of the work is that there is still a power left after all the pillaging.

RELAX AND ENJOY

Information about a work of art, whether external (authorship, commercial value, popularity) or internal (structure, symbolism), can inspire my interest but is unlikely to contribute to that “aha” moment when I feel, rather than understand, its intrinsic meaning for *me*.

When it comes to fully experiencing a work of art, language can be as much a boundary as a bridge. Art criticism, no matter how eloquent and erudite, attempts to use one language to describe another, very different language but with no dictionary to assist the translation. Painting, sculpture, drawing, and other visual media on the highest level represents the creation of a language that is not read or spoken. It is comprehended with the eyes, the mind, and what we might call the heart, our internal capacity to be deeply moved. This can render us speechless, when we find it difficult to put our responses into words. And why not, since we are dealing with a wordless language, like music? We can speak, hear,

Fig. 49

LEONARDO DA VINCI
Mona Lisa, 1503–5
Oil on wood
30¼ × 21 in. (77 × 53 cm)
Louvre, Paris

and read words, but we cannot see or feel art with words, only with our eyes and minds. As discussed earlier, when it comes to music, most of us tend to have confidence in our taste even though we may totally lack knowledge regarding historical development or compositional theory. I frequently hear, “I don’t know anything about art” but hardly ever, “I don’t know anything about music.” Instead, most of us are confident with saying, “I like classical music,” or “I prefer rhythm and blues to rap.” When it comes to art, we harbor a belief that the simple experience of just looking is useless without information.



Fig. 50

HENRI MATISSE

The Moroccans,

Issy-les-Moulineaux,
late 1915 and fall 1916

Oil on canvas

71¼ × 110 in.

(181.3 × 279.4 cm)

The Museum of Modern Art
(MoMA), New York. Gift of
Mr. and Mrs. Samuel A. Marx

Acc. n.: 386.1955

I have found that in exhibitions it is more effective to relax and use my eyes patiently on works of art themselves than to read the writing on the walls at the same time. If I jog through a museum cruising the labels and snacking on famous names, I am unlikely to have an “aha” moment. A painting that may have taken months of toil to complete deserves more than twenty seconds of our attention (of which ten is spent reading the label). I try to take the time to let my eyes and mind adjust to what I am seeing and provide it with a reasonable degree of undivided

attention. Sometimes my response is immediate and powerful, as on two visits to the Rothko Chapel in Houston, thirty years apart. It took a new installation of the permanent collection at the Museum of Modern Art, however, for me to finally connect with Henri Matisse's *The Moroccans* (1915–16, fig. 50), a painting I had looked at many times before but had never really “got.”

Our interest in a work of art can be sparked by information and opinion from others, but total appreciation and enjoyment of it can only come when we concentrate on it in a relaxed but fundamentally attentive manner, surrender our prejudices, and trust our eyes.

*“ALL
THAT
GLISTERS
IS NOT
GOLD.”*

WILLIAM SHAKESPEARE
THE MERCHANT OF VENICE, ACT 2, SCENE 7

V | The Value of Art

IN THE CYBER AGE

THALIA

NFTs, Cryptocurrencies, and Blockchain

“Former Christie’s Rainmaker Loïc Gouzer Debuts a New Company to Sell Fractional Ownership of Pricey Artworks as NFTs”¹⁴⁴ announced the deliciously action-packed 2021 *Artnet* headline. Gouzer had previously found fame for orchestrating the \$450 million sale at auction in 2017 of a painting some have attributed to Leonardo da Vinci. Purchased in 2005 for \$10,000 in a New Orleans auction house by a group of art dealers, the work’s title is *Salvator Mundi* (Savior of the World), although a more apt name might have been *Salvator Artem Mundi* (Savior of the Art World), as the price doubled the highest amount ever paid at auction for a work of art. Applying his wizardry to the latest trend in art packaging, Gouzer married the NFT to the supposedly democratic concept of fractional ownership. The key word in the headline is “pricey,” implying “expensive” but not necessarily “worth it.”

NFT stands for Non-Fungible Token, and an NFT is a hybrid—a digital analog of an analog system. If something is fungible it can be replaced by an identical item. The transmission in my Jeep Wrangler is fungible, I am not. By design cyber images are fungible. It can be the cyber image of a real thing or exist only as a cyber image.

A still or moving digital image of anything can be made into an NFT. Items straining the limits of credulity that have found their way into the cyber market include decorative toilet paper, jailed Donald Trump lawyer Michael Cohen's prison identification badge, and a painting by the hopefully fertile Armenian artist Narine Arakelian imbedded with a contract promising one of her eggs to the buyer. How does it actually work? I can use my smart phone to take a photograph of my thumb (I do that a lot, unintentionally) and post it on Instagram, and 1,244 people will see exactly the same, fungible, backlit pixilated image of my thumb. I make one of these images *non*-fungible by embedding an invisible token and registering it on the same kind of blockchain platform that hosts cryptocurrencies. Everyone can get this picture of my thumb free, but I am offering *you* (yes, you, the Reader) the only picture of my thumb existing as an NFT, and if you pay me one hundred dollars, I will transfer ownership to you and that ownership will be timestamped and recorded and you can boast that you have the only "real" picture of my thumb. To make it easier, I will accept your \$100 in Ethereum, a cryptocurrency invented in 2009, which exists in a decentralized computer network called blockchain secured by cryptography to prevent counterfeiting. Ethereum is one of a number of cryptocurrencies (Bitcoin is another) accepted by selected auction houses and art galleries to pay for works of art, including NFTs. Presumed to evade government scrutiny, they are sanctioned in some countries such as the US, the United Kingdom, and members of the European Union, but banned in others such as China, Egypt, and Iraq. In the US they are treated as investments, not an alternative to treasury department-backed US dollars. Warning: if you buy Ethereum and it goes up in value, you owe capital gains tax regardless of how you spend it.

The art world took a crash course in NFTs in March 2021 when Christie's sold a digital work of art titled *Everydays: The First 5000 Days* for \$69.3 million. The hitherto unknown artist was listed as Beeple, a pseudonym for forty-year-old American graphic designer Mike Winkelmann. This was far from the first NFT minted, that claim goes to Kevin McCoy and technology entrepreneur Anil Dash, who in 2014 were the first to have the idea of putting unique digital works of art on the blockchain. That first NFT, *Quantum*, an octagon filled with concentric circles



Fig. 51
LARVA LABS
Crypto Punk, 2017

pulsing in fluorescent hues, distinguished only by its banality, sold in an auction of NFTs at Sotheby's in June 2021 for \$1.4 million.

The buyer was an NFT collector known as Sillytuna who sold a CryptoPunk NFT in the same sale for \$11.8 million (fig. 51). It is one of ten thousand different pixelated cartoon heads of male and female punks, zombies, and aliens algorithmically generated by two Canadian software designers. When first sold in 2017 they were priced between \$1 and \$34 each. The widely reported private sale of a CryptoPunk image of a girl with wild white hair and black lipstick for five hundred million dollars was later revealed to have been a prank enabled by a flash loan, a cyber world uncollateralized banking product.

On the “yes, but is it art?” issue, Mr. McCoy is as eloquent as the nomenclature surrounding NFTs might suggest: “For a while I was thinking that Quantum should go into the collection of a museum like MoMA, but now I’m like, fuck it.”¹⁴⁵

Branding, sponsorship, and smart marketing techniques enabled by new technology are the hallmarks of the twenty-first century auction house system. They reached critical mass in the aforementioned June 2021 NFT-only auction at Sotheby's cutely titled *Natively Digital: A Curated NFT Sale*, co-curated by "leading crypto artist" Robert Alice, who unabashedly included his own work, which sold for \$478,800. All told, twenty-eight NFT's sold for \$17.1 million. As expected, the sale was announced with great fanfare by Sotheby's, but even more so by their sponsor and collaborator, Samsung Electronics UK. Billed as a "historical retrospective of early works through a group auction of the most cutting-edge artistic practices,"¹⁴⁶ front and center were Samsung's latest line of "lifestyle" televisions which, in case you have forgotten, used to be the only way you could watch moving pictures at home. Just eight months later in February 2022, the market in CryptoPunks hit a speed bump. Celebrating their lead in the NFT market, Sotheby's held a highly publicized one-lot sale of 104 CryptoPunk NFTs estimated between \$20–30 million that they titled "Punk It!" This was live with an audience of crypto movers and shakers, preceded by a cocktails and a panel discussion and followed by a party with DJ Seedphrase. Almost thirty minutes after the auction was due to start Sotheby's announced the sale was canceled, as the seller, identified as ox650d, tweeted "nvm, decided to hodl." No further explanation was provided, but it is common for auction houses and consignors to agree to withdraw lots in anticipation of a lack of interest at the desired level.

The further the art world squeezes itself down the rabbit hole of technologically enabled novel financial instruments, the more apparent it is that the principal criteria for determining the quality of NFTs is the price paid. Kamyia Pandey, who describes herself as a "social media human," writes intelligently about the price of NFTs being based on "age" (measured in months?), "hedonic value" (degree of fun and playfulness), as well as "popularity,"¹⁴⁷ which is indicated by the degree to which they are referenced in, or licensed to, other systems such as role-playing games.

The fractional ownership of Mr. Gouzer's scheme is not new to the art market, it works so long as the various owners don't argue over who gets to have the painting in their home. Museums sometimes co-own works, shuttling them back and forth. It's much easier with an NFT

since it does not exist In Real Life (Reader please note: I'm going to use "IRL" from now on to describe everything you don't need a password for). Gouzer can sell as many fractional NFTs as Friar Tetzels sold indulgences in Martin Luther's day, the difference being NFT owners can show their's off on their smart phones and enjoy varying degrees of hedonic value. A bigger thrill for them is the hope that Mr. Gouzer's NFT picks will do a lot better than a lottery ticket from the corner store.

There is debate over both the security and longevity of NFT's versus IRL works of art. Skeptics point out that there is no un-hackable computer system, image quality declines with age, called "bit decay," file formats can become obsolete, websites go down, and you might forget the password necessary to trade your NFT of my thumb. In early 2022, cyber thieves robbed art dealer Todd Kramer of over two million dollars' worth of Bored and Mutant Ape NFTs which were openly fenced on the OpenSea NFT platform. When OpenSea froze all trade on Bored and Mutant NFTs, they were criticized for transgressing a basic tenet that "code is law," meaning once your tokens are in someone else's digital wallet that's the end of the game. In comparison, the norms for the maintenance and security of physical works of art seem far simpler, as well as the protocols for recovering them if stolen.

Art collectors driven more by power than beauty boast of their good taste and fortune when they profit from the sale of works purchased early in an artist's career, but was it taste, amazing foresight, or sheer luck that fueled the 2017 purchase of CryptoPunk #5822 for somewhere between \$1-34, and then sold in February 2022 for \$23.7 million? Is this volatility sustainable or even healthy? Of course not. The process of adding transactions (such as your NFT purchases) to the blockchain is called "mining," perhaps apt in more ways than one if conjuring images of a twenty-first century virtual gold rush. These are early days. Not only is no system un-hackable, but one designed purposely to evade government scrutiny and regulation will sooner or later become subject to both.

Let's say before that happened you want to stock up on NFTs—where can you find the best? In this world price equals quality, and seven of the ten most expensive NFTs sold in 2021 were on platforms such as Nifty Gateway and SuperRare. One was sold at Phillips, and the two most expensive, both by Mr. Winkelmann (aka Beeple) at Christie's. After



Fig. 52
BEEPLE
Human One, 2021

astounding the art world and beyond with the price of his previously mentioned *Everydays*, Winkelmann's second innings at Christie's was, interestingly, with an NFT that had as a component an IRL "generative sculpture" consisting of a rotating aluminum box the size of an old-fashioned phone booth containing the walking image of an astronaut, in appearance and motion reminiscent of the *Star Wars* droid C-3PO (fig. 52). The buyer, reported to be the Zurich-based crypto-billionaire Ryan Zurrer, paid \$29.8 million, and is quite happy to allow the artist to consider the work permanently unfinished and modifiable. Because of the way in which the purchase of NFTs is registered in the blockchain, it is possible for artists to be guaranteed royalties on resales, if agreed as part of the initial purchase. This has long been a key issue with artists confounded by the impossibility of policing private sales around the world. Now the artist can wake up to see their crypto account automatically increased when their NFT is resold.

While the advent of NFTs and cryptocurrency provides the art market with alternative systems of transaction and increases the speculative ap-

peal of buying and selling, it is far from a revolution in the nature of art. The size of the market may be increased, but the virtual image for sale is limited by the shape and scale of the chosen monitor. An attractive and efficient delivery system has been added to the art market, but it can only handle packages of a specific nature. Regardless of how secure and easy the mining and sale of NFTs may be, the artist's electronic canvas has limitations.

The history of art is replete with milestones of technological invention that changed the way artists saw and expressed the world around them. Painter David Hockney and physicist Charles Falco argue that Renaissance artists must have had access to optical instruments such as the *camera obscura* in order to achieve their levels of visual accuracy. Much later, photography not only created a new art form and provoked artists like Edgar Degas to greater creative heights, but changed the way art was recorded, publicized, and sold. One of the progressive achievements in the art of the twentieth century was to free painting from the confines of the frame, in scale, dimension, and medium. In the 1960s the boundaries expanded into installation and performance art, and the first so-called "computer art" was seen publicly when Howard Wise, a dealer who pioneered video art, opened *Computer-Generated Pictures* at his New York Gallery in 1965 (fig. 53). The artists were Bell Laboratory engineers Béla Julesz and Michael Noll, and even though the technology was in its infancy, the imagery, then almost entirely abstract, was hardly less sophisticated than the twisting cubes by the artist Pak. Described by Sotheby's not as an artist but "digital creator" in a collaboration with Nifty Gateway, a group of his NFTs sold for \$16.8 million in 2021. Unlike Beeple, Pak is genuinely anonymous and might be one person or several. The first generation of NFTs seem to enjoy the catchy, if not downright cute monikers of their digital creators and their creations such as Nyan Cat, a video game character that allegedly rides rainbows "through the candy-filled vastness of space," a ride costing \$600,000.

Fig. 53

MICHAEL NOLL

Gaussian-Quadratic,
1962-1965 (made); 1970s
(printed)

The work was conceived and programmed in 1963 by A. Michael Noll at Bell Telephone Laboratories, Inc. in Murray Hill, NJ. The computer was an IBM 7090; the plotter was a Stromberg-Carlson SC-4020 microfilm plotter



A historic parallel for the NFT is the invention of movable type in the mid-fifteenth century by Johannes Gutenberg. Books that had been copied by hand could now be copied mechanically. What changed was not the content of the books but the efficiency and cost of the copying process. Printer-publishers sprang up all over Europe, five hundred in Venice alone, in anticipation of a boom, but many went out of business in a matter of years, and few lasted more than one generation. This was not the fault of the new technology but misplaced optimism about the demand for prayer books by people who couldn't read. NFTs may fare better since they only require fiscal literacy. At the moment the trade in NFTs is but a ripple on the surface of the global art market, but if the apparent investment rewards to date continue it may become a tidal wave. There is a limitless supply of content and a steadily increasing number of platforms vying to broker sales.

The privations of the COVID-19 pandemic increased the authority of the screen image, and throughout 2020 art collectors became accustomed to making online purchases "sight unseen" from gallery and art fair websites as well as at auction. Newly accustomed to choose works of art from digital images, the art market did not have to think twice about falling in love with NFTs. The marriage was consummated when *ArtReview* chose ERC-721 (the NFT token standard on the Ethereum blockchain) to top their 2021 Power 100 list.¹⁴⁸

When NFTs hit the art auction market in 2020, few in the art market questioned the legitimacy of the medium largely because money talks, and the money was big enough to entice established mainstream artists and major galleries to get on board with alacrity. After all, if it is made by an artist and it's also expensive, it must be art, right? Well, no, according to the editors of Wikipedia, who in 2022 voted not to include NFTs on their listing of "most expensive art sales by living artists,"¹⁴⁹ although that may not curb the acquisition appetites of cryptocurrency and video game moguls who would rather have a rare CyberKongz NFT than a painting by Jasper Johns.

Because virtually anything can be made into an NFT, what constitutes "art" as understood by both sellers and buyers (and quite possibly creators) cannot be defined traditionally, even if Wikipedia attempts to do so. Thus when the Hiscox Online Art Trade Report estimated that

\$3.5 billion of NFT “art and collectibles” was sold in just the first nine months of 2021,¹⁵⁰ we must bear in mind that this included the 1989 Internet source code for the first web browser (\$5.4 million) and digital toilet paper with flowers (\$4,100). In late 2021 an index fund for “blue chip arts & collectibles” NFTs was launched, and CryptoPunks and Bored Apes accounted for 67 percent of the index. None of the top ten were of artists practicing in the analog art world. In her 2021 mid-year art market report, cultural economist Dr. Clare McAndrew noted that between 2020 and 2021 NFT sales on Ethereum (the largest platform for them) in the category of “art” held at around 25 percent, whereas “collectibles” leaped from 11 to 59 percent.¹⁵¹ When art and collectibles are conflated, the sales advantage goes to the auction houses who have no problem moving collectibles up the ranks into “curated” sales organized by specialists from the fine art departments. These get extensive press coverage and are aggressively marketed on social media. When Beeple’s NFT sold for almost \$70 million it became, *ipso facto*, a work of art. Had it sold for \$700, it would be a collectible.

Before we get too carried away, McAndrew also noted that digital art sales accounted for only 12 percent of the aggregate median art expenditure in 2021, and that the highest level of spending was just \$20,000. Her survey of major buyers found that only 16 percent of their collections could be described as nontraditional, a category encompassing not only digital art but film and video.¹⁵² Whew, what a relief! After millennia of being a vital part of human expression in widely diverse cultures, objects with a physical presence are still in demand.

I see the analog and NFT art markets eventually dividing into separate and unequal entities appealing to different types of buyers: one, traditional art collectors who enjoy living with IRL works of art; the other, cyber collectors happy with images on their tablets and smart phones. Most analog collectors enjoy their works of art whether or not they appreciate in value, but I suspect cyber collectors are mainly focused on asset value, and consider the actual appearance of their NFTs useful for identification purposes rather than aesthetic enjoyment. To this extent NFT-only artists and art studios will likely continue to dominate this market.

Because the NFT is a marketing tool and not a medium, the analog artists best able to integrate it into their process are those with subversive

imaginations, like Urs Fischer and Tom Sachs. Fischer, who famously built a Swiss chalet out of loaves of bread, made a series of 501 moving images, each of two common objects (a broccoli stalk and a sponge, a showerhead and a sneaker) constantly converging within each other. They are strangely hypnotic and more compelling than the pulsing disco lights and fanzine world of the top-selling NFT artists. New York artist Tom Sachs conceived Rocket Factory. His collectors purchase separately a

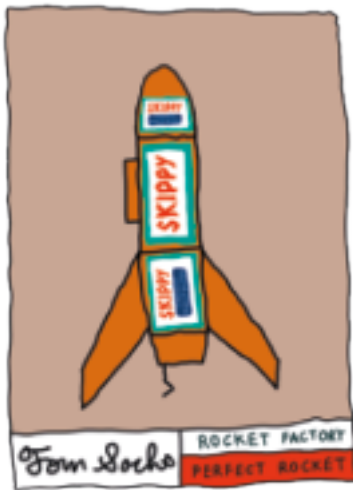


Fig. 54
"Perfect Skippy
Branded Rocket"

TOM SACHS:
Rocket Factory © 2021

nose cone, body, and tail assembly (bearing well-known brand logos) as an NFT (fig. 54). His studio then makes a physical version twelve inches tall which is launched and recovered. The buyer ends up with an NFT, the physical rocket (possibly worse for wear) in a custom display box, as well as a video of the launch. Sachs calls this a Singular Transdimensional NFT, designed to appeal to both cyber and analog collectors.

With respect to the long-term value of NFTs, the issue of rarity is built into their very nature, although reversible due to hacking, forgery, or the deliberate release of bona-fide copies. Popularity will be determined by the market, over time. The secondary market is as yet too undeveloped to determine if prior ownership by

this or that particularly esteemed NFT collector will impact the price as well as the branding of the company that originally dropped the NFT.

While the advent of NFTs and cryptocurrencies may not be art market game changers, they are a gateway drug for people who find the art world intimidating. Along with the easy access that online viewing and buying affords everyone, technology is expanding the art world even if as it lowers the denominators. Winklemann's desire to enter the IRL art world as soon as he hit the headlines with an NFT indicates that the street is definitely two-way. As we will see with crypto tycoon Justin Sun's purchase of a rare and wonderful Giacometti sculpture, the analog art world has nothing to lose by embracing its parallel cyber universe.

It is also not surprising that NFT creator Kevin McCoy had no interest in having the Museum of Modern Art in New York acquire his magnum opus. The influence that museum acquisition has on an artist's market is dwindling in favor of price paid at public auction. The art world estab-

ishment was once ruled by museum directors, curators, and powerful critics, but new buyers are far more likely to be led by what they see on Facebook, Instagram, Tik Tok, Pinterest, and similar platforms than the choices of the Collections Committee of the Tate Modern.

Afraid of being late to the game, museums of contemporary art are hedging their bets on NFTs. Rather than commit purchase funds, they are sponsoring podcasts and panels similar to the de Young Museum in San Francisco's "NFT Mania: The Future of Art or Venture-Backed Experiment?"¹⁵³

Meanwhile freshly minted institutions dedicated to cyber art face the dilemma of how to get people to enter a real space to experience unreal space. China hosted what was billed as the "World's First Major Institutional Crypto-Art Exhibition" at the UCCA Lab in Beijing in March 2021. Featuring artists Mad Dog Jones, FEWOCiOUS, and deadmau5, it was advised by AndArt Agency which unblushingly bills itself as "unleashing synergy between global brands and the art world."¹⁵⁴ The show was curated by Block Create Art, a crypto art marketplace. Beeple's works were borrowed from collector Metapurse and shown on high-definition screens. But how were visitors to know these were real and not exact virtual replicas? Simple, they could scan a code to see a contract on the Ethereum blockchain permitting the screening of the works and see their hash value, which is the digital equivalent of a fingerprint. Also on view were workable crane game machines with crypto-esque souvenirs, a create-your-own-CryptoPunk section, and a display of recent but already obsolescent cryptocurrency mining computers.

Perhaps the smartest move by a major institution was the British Museum's successful sale of a series of NFT postcards based on their collection of prints by the Japanese master Hokusai. This suggests they categorize the NFT as museum shop-worthy rather than museum collection-worthy.

People Are Texting About . . .

Not long ago, new artists hove into view and became part of the contemporary art world's conversation according to a time-honored process of being discovered by an eagle-eyed studio-visiting art dealer (as I once was) who labored to get the work bought by adventurous collectors and