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## Article

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## EXCHANGING MEANINGS ON THE MARKET FOR CONTEMPORARY ART<sup>5</sup> By Olav Velthuis

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### Introduction

In this paper I try to understand how social relationships and market exchange are intertwined. Breaking with the network tradition within economic sociology, I will be less interested in the impact of social structure on economic outcomes such as prices, market structure or profit rates, and more in what could be called the cultural constitution of markets. I study markets in terms of circuits of commerce, to use Viviana Zelizer's term, meaning that they are accompanied by "conversation, interchange, intercourse, and mutual shaping" and give rise to "different understandings, practices, information, obligations, rights, symbols, and media of exchange." (Zelizer 2000b, p. 3; Zelizer forthcoming; Collins 2000). Thus I will try to answer questions such as: how do social ties emerge and dissolve in markets? How do market and gift exchanges interact? How do actors themselves make sense of their relationships? And: to what extent is it possible for economic sociologists to understand these social relationships in terms of (enlightened) self-interest?

Empirically, this paper studies intermediaries on the market for contemporary art. In 37 semi-structured, in-depth interviews which I conducted with art dealers in the art capitals of Amsterdam and New York, metaphors of marriage, family and community prevailed when they described their relationships to artists, collectors and colleagues (cf. Velthuis 2003). They are permanently defining and redefining their manifold exchange relationships as well as the concomitant meanings that the economic transactions they engage in generate. Many dealers claim that neither economic nor artistic issues should ever be allowed to dominate these relationships. In order to build such trust relationships, some dealers keep day-to-day contact with the artists they represent, spend hours with them on the phone, and visit them regularly even when these artists are living abroad. Depending on their character, artists may not only ask for practical assistance and business advice, but also moral support and input in their artistic endeavors.

The way dealers go about adding a new artist to their program, resembles courting rituals more than business negotiations. Rather than studying slides that anonymous artists send them, or looking at work that artists bring to their galleries, they primarily rely on introductions, referrals and recommendations, often by artists that they already represented, and sometimes by other members of the art world whose taste they trust. Cautiously, they start talking to this artist, pay a visit to his studio, and include a work by her in a group show. They consult friends about the artist, and follow her work whenever it is exhibited. Only when both the dealer and the artist feel confident about the relationship that they have developed do they proceed to discussing the terms on which the gallery might represent the artist. Often, one of

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<sup>5</sup> Excerpt from, *Talking Prices. Symbolic meanings of prices on the market for contemporary art* (A forthcoming book by Olav Velthuis, which will be published at Princeton University Press).

these terms is exclusive representation; the relationship between an artist and a gallery is supposed to be monogamous.

This does not mean that artists, especially in the beginning of their career, do not complain about the dealer's (lack of) efforts to promote their work, or about the size of the cut he takes from gallery sales. In fact, the history of the modern art market knows many examples of relationships between artists and dealers that have gone astray, to put it mildly. Even in these cases, however, they have underscored the friendship logic that underlies their business relationship in the art world by expressing their dissatisfaction in terms like 'neglect' or 'abandonment.'

The intimate nature of ties between artists and dealers paradoxically manifests itself when these ties are dissolved: if the start of an artist-dealer relationship resembles courtship rituals, its end resembles a divorce. The reasons for such a divorce may be diverse: in slack seasons, galleries may want to terminate their relationship with an artist because his work continuously fails to meet its commercial expectations, whereas in good days, artists may let themselves be seduced by another gallery who is willing to represent the artist against more favorable conditions such as higher prices, advances against sales, or the potential of more sales to museums. Also, an artist may have the feeling that a dealer does not do enough work for him, that the dealer does not possess the contacts that help the artist getting critical acclaim, or that the artist's work no longer fits into the artistic program of the gallery.

Although their discourse with respect to collectors has a less emotional character, dealers refuse to simply characterize them as business clients. Instead, dealers consider some collectors as supporters of the gallery, others as friends, followers, or as people who have confided in them. They emphasize that theirs is not a walk-in trade, which means that sales made to people who they do not know yet are the exception rather than the rule. The prevalence of intimate ties between dealers, collectors, and artists is not restricted to the discursive level, but is also enacted in the exchange of gifts of all sorts, from material goods to immaterial favors, in the avoidance of business contracts, and in the way seemingly *quid pro quo* transactions are framed.

### **Enlightened self-interest**

How should we make sense of this discourse of intimacy and this prevalence of gift exchange within markets? Scholars as diverse as creative writing Professor Lewis Hyde, cultural economist Arjo Klammer, or critical art historian Paul Wood have argued that the *quid pro quo* of a market transaction in art has destructive effects. Their arguments, like those of many anthropologists, are founded on a sharp distinction between market exchange of commodities and gift exchange of cultural goods. They see market exchange as anonymous, transient and impersonal. Market agents buy and sell commodities as "impersonal bundles of use value and exchange value", without attaching themselves to the objects they trade or committing themselves to the persons they deal with (cf. Carrier 1995, p. 18). On the basis of this notion of commodification, Hyde concludes that "it may be possible to destroy a work of art by converting it into a pure commodity" (Hyde 1983, p. xiii). For critics like Klammer, the explicit monetary measurement of value, which market exchange presupposes, corrodes the artistic experience (Klammer 1996).

In order to protect artists and artworks against the detrimental effects of such *quid pro quo* exchange, artworks should be transferred by means of gifts, the argument goes. Indeed, Hyde's starting point is that the making of art and gift exchange are so strongly intertwined, that there can be no art where there is no gift: artistic activity contains the spirit of the gift by definition (Hyde 1983, p. xiii). The attractiveness for these scholars of gift over market transactions, resides in the idea that gifts prevent adversary relationships and antagonistic sentiments from emerging. Gift exchange replaces the presupposed anonymity of market exchange with a moral transaction that brings about enduring personal relationships. Artists and artworks flourish in such a setting since the gift would not lead to commodification, alienation or disentanglement of the artwork from its maker (Wood 1996). In other words, gift exchange respects the inalienability of art without removing artworks from societal traffic altogether. Coming from an Aristotelian perspective, Klammer furthermore argues that reciprocal gift transactions do justice to the essential nature of art because they circumvent measurement and commensuration, and provide "roundabout ways of financing the costs of producing the good" (Klammer 1996, p. 24).

Neoclassical economists likewise tend to think that market exchange is anonymous. The crucial difference is, however, that their normative assessment of this state of affairs is the very opposite. If individual agents are perfectly informed about the conditions of exchange, and markets are populated by sufficiently large numbers of price-taking agents, there is no need for enduring social ties, trust relationships, or sociability. Reasoning from the assumption that individual agents try to maximize profits, goods are sold to buyers with the highest willingness to pay, no matter what social ties they have to the seller (Hirschman 1982 [1986], p. 122-123). In fact, if the accounts of dealers would be truthful, this would imply that the art market is highly inefficient: if artworks are not sold on a regular basis to buyers with the highest willingness to pay, but instead to friends, this means that scarce resources are not allocated optimally. The detrimental effect of social ties on the efficiency of the market will be even larger if they are accompanied by gift exchange. In that case consumption choices are made *for* the consumer rather than *by* him. This type of exchange is inefficient, as Joel Waldfogel wrote in an article with the ominous title *The Deadweight Loss of Christmas*, since the allocative decisions made by the gift giver are not likely to match the preferences of the receiver (Waldfogel 1993).

In spite of this bias against gifts, it is possible to make sense of them from a neoclassical economic perspective. One reason why family metaphors are used, may be related to enlightened self-interest: according to this type of reasoning, which some economists but also an increasing number of sociologists have endorsed, social relationships have instrumental, economic value and enhance rather than impede efficiency (Fukuyama 1995, p. 26; Kollock 1994). Gift exchange, for instance, functions as a cement of social relationships on the market. These relationships, in turn, are crucial in a situation of uncertainty or in case relevant information about the transaction is asymmetrically distributed over transaction partners (see Caves 2000).

Let me explain how this argument can be applied to the art market. In the contemporary art world, economic ties between artists and dealers usually take the form of consignments: the artist consigns his artworks to a dealer, who exhibits them either in a solo or a group show, and meanwhile tries to sell them. If a work is sold, the proceeds are divided according to a pre-determined ratio. From an economic perspective, these consignment relationships are in

the interest of dealers because risks are shared with the artist, which is crucial given the uncertain economic value of contemporary art. A second advantage of consignments is that the capital intensity of the dealer's enterprise remains low: since he does not buy works from the artist, he does not need to tie up capital in the inventory.

A major disadvantage of consignment relationships is, however, that the dealer has to make investments that are specific to the artist. First of all he incurs costs when searching for, assessing and selecting the artist; subsequently, to promote the artist's work he needs to invest in marketing costs, including publishing catalogues and organizing exhibitions. In case the artist decides to terminate the relationship, the dealer's investments lose their value and need to be considered as so-called sunk costs: they cannot be recovered, and need to be written off (Bonus and Ronte 1997, p. 113-114; Merryman and Elsen 1979, p. 142-143). On top of these risky investments, the dealer has no guarantees about the quality and quantity of the future supply of works by the artists he represents. Also, it is difficult to ensure that the artist does not sell art to collectors directly from his studio, without giving the dealer a commission. Conversely, an artist faces similar uncertainties and information problems with respect to his dealer. For instance, he does not know if the dealer sells his work for the price they agreed upon, and if the dealer invests sufficient time and money in promoting the artist's career. Also, the artist has to entrust his precious artworks at least temporarily with the dealer.

Legally binding contracts hardly provide a solution to these fragile commitments. Indeed, although standard contracts exist for consignment relationships, they are often conducted without those. One reason is that many relevant terms cannot be stated in a contract. For instance, an artist cannot be contractually enforced to continue producing valuable works of art in the future. Second, if a contract would be written up, it is still difficult for one party to 'monitor' the other and to make sure that all terms of the contract are complied with. Third, litigation is expensive in the case of breach of contract and may damage the reputation of the artist, the dealer or of both (cf. Macaulay 1962 [1992]). Transaction costs, as these contractual, monitoring and litigation costs are referred to, are in other words high in the case of consignments. Finally, although it is likely that an artist can receive financial proceeds in case he successfully sues a dealer, in the opposite case this is questionable given the lower average income of artists (cf. Merryman and Elsen 1979, p. 138).

In such an uncertain environment of so-called asset-specificity of investments, asymmetric information and high transaction costs, trust relationships, loyalty and gentlemen's agreements are a viable alternative to contracts (Moulin 1967 [1987], p. 115; Plattner 1996, p. 194). Thus, from an enlightened economic perspective, it is understandable why dealers and artists represent their relationships by means of socially powerful metaphors such as family and marriage. As Richard Caves summarizes the economic argument: "The infeasibility of explicit contracting leads the parties into the language of moral obligation, with reputation the insurance of reasonable performance in the absence of legally binding obligations" (Caves 2000, p. 41).

### **Framing transactions**

Although it cannot be denied that the social fabric of the market and its texture of gift exchange have economic meanings (cf. Bourdieu 1990; Bourdieu 1992 [1996]), the 'enlightened self-interest' argument has four pitfalls. First of all, it does not answer how this

social fabric comes into being, and how it is maintained; instead, the functionalist undertone is that economic relationships arise at the moment they enhance the efficient functioning of the market. In particular, the causal direction from economic need to social outcome is privileged, while the opposite direction is denied. However, it is easy to imagine that the fragility of the economic exchange not only requires intimate ties but also that the intimacy of these ties dictates the form of exchange between artists and their dealers. As New York art dealer Leo Castelli put it: since there is “a family situation at my gallery [...] contracts are not worth the paper they’re written on” (Merryman and Elsen 1979, p. 137). Secondly, the ‘enlightened self-interest’ argument does not recognize that the social fabric of the art market may have other than economic meanings. Third, gifts not only serve a functional purpose of strengthening the social fabric of art market, they also symbolize intimate relationships. For instance, as I will show in the remainder of this paper, gifts enable actors to differentiate the social ties they have (cf. Zelizer 2000aa, p. 819). As markers of relationships, they enable transaction partners to signal the strength of ties to each other, and enable them to come to a common understanding of these ties (Cheal 1988, p. 91).

At the same time, gift exchange has a performative quality: by giving a gift, a social relationship is not only marked, but also reinforced or even created. Therefore they need to be appropriate to the mutual perception of a social relationship; a bouquet of roses given by a businessman to one of its female clients, is likely to generate different meanings than a leather briefcase (cf. Davis 1992, p. 41). Rich, contextual knowledge is in other words needed to insure that gifts have their intended meaning. Fourth, the predictions that the ‘self-interest’ argument provides are disproved by reality. For instance, it predicts that dealers only acquire works directly from an artist if the economic value of the artworks is firmly established (Caves 2000); in such a case, there is no need for trust, since the uncertainty of consignment relationships is replaced with a quid pro quo exchange. In my fieldwork I discovered, however, that some dealers buy a work from an artist every now and then, and that both parties consider these transactions to be highly significant. Conversely, some dealers said that they prefer to work on a consignment basis with all artists, no matter how solid their reputation.

How should we understand these transactions? Meanings of exchange, whether of gifts or commodities, emerge from a vector of situational circumstances, specific social relationships and frames which economic actors actively construct. As a result, two identical transactions may generate entirely different meanings. Take the case of market exchange. Cultural economist Hans Abbing has pointed out that artists, in order to receive payments they are entitled to from their dealer, may have to reframe or redefine these payments as gifts. This means that they have to play the role of the needy artist, who is not able to pay her monthly bills, freezes in her studio, and sees her paint turn viscose from cold; by relying on this model, they allow dealers to play the desirable role of the benevolent patron who has partial control over the artist’s well being (Abbing 1996, p. 139; Abbing 2002). Apart from being a strategy for an artist to get paid, the dependence of the artist on the dealer is reproduced through the framing of the transaction; it suggests that gift exchange may be about power and inequality as much as about benevolence and sharing. While some experience this as degrading, others deliberately frame market exchange in gift terms. In order to do so, they establish a cognitive boundary between their own artistic labor, the artworks that leave their studio and the money they receive in return.

In the case of direct acquisitions from artists, the antagonistic meaning of a *quid pro quo* exchange can be redefined into an act of care and support, due to timing and circumstances. Anthony d'Offay, for instance, a former leading art dealer located in London, used to express his care and admiration for 'his' artists by buying their artworks himself, even though regular gallery sales were made on a consignment basis. Also, direct acquisition can be made in order to support the artist morally and financially. Whereas successful artists are flooded with attention from collectors, curators and critics, and even need to be protected against overkill, many others are deprived of such attention. Direct acquisitions help in compensating that situation. Also, when a show is commercially unsuccessful, or an artist is in financial trouble, a dealer may buy a work, or may waive the commission on a work he did manage to sell. These transactions are anomalous from an economics perspective, because of their risk, limited profitability, and the financial resources they claim.

In exchange for these framed gifts, artists can do the dealer favors such as allowing payments to be postponed in case the dealer himself is short of liquidity. Another practice I encountered was to ask for an artwork in order to compensate the gallery for additional or exceptional expenses which are incurred to promote the artist (cf. Robson 1995, p. 78). Direct measurement of the value goods and services which the dealer and the artist trade is avoided in this arrangements; also, a time lag is introduced between the transfer of a good or service on the one hand and the compensation for it on the other. As a result the relationship between artist and dealer is transformed into one of mutual obligation (cf. Carrier 1995). Some of my respondents said that they were eager to buy works from artists they represent once they appear on the secondary market. Like that, they try to support the price level at auction and to protect the market of an artist. Subsequently, if they managed to resell these secondary market works, they would give the artist a percentage of the resale price on a voluntary basis. These transactions strengthen the relationship between the dealer and the artist: the dealer 'protects' the artist's market, while the percentage of the resale, which the artist receives, has the character of a gift. A Dutch dealer, however, remarked about this practice: "If it makes an artist happy to sell work from his studio every now and then, he should do that. But I have to be content as well, so he will also have to do something for me, so to say. If I get a work every now and then, it is fine. (...) I don't care as much what artists do, as long as I am honored for the fact that I am busy with this gallery every day. (...) It is about doing each other favors. If an artist sells from his studio, and those works re-enter the market, I do not feel responsible to acquire that work."

Multiple meanings, akin to those of direct acquisitions, arise from the practice of paying artists monthly stipends. Their meanings vary widely since these stipends are or have been transferred as seemingly benevolent gifts, but also as payments for direct acquisitions and as advances in case the dealer and the artist work on a consignment basis. In late nineteenth and early twentieth century France, for instance, when the modern art market came into being, detailed acquisition contracts not only stipulated the number of works a gallery would buy from the artist per time period, but also a monthly or annual stipend the artist would receive in exchange. Thus the primary meaning of these stipends was a competitive one: artists like Picasso, whose work was in high demand, would let several dealers compete over the amount of the stipend before awarding one of them an acquisition contract (Robson 1995, p. 78-79; White and White 1965, p. 95). However, this competitive meaning was contested and redefined from the outset, when early modern dealers like Paul Durand-Ruel recreated the

role of the patron through stipends: if Durand-Ruel did not manage to sell an artist's work, he would nevertheless continue buying from the artist and paying him a stipend. Thus he expressed trust in the artist's future career (White and White 1965, p. 126). Likewise, when stipends were imported into the United States, they were mostly used to provide security for the artist and to generate confidence (Robson 1995, p. 93). By means of these stipends, dealers enacted the role of a patron.

New York art dealer Castelli accentuated this benevolent definition of stipends and presented them as proper gifts. For instance Robert Rauschenberg and Jasper Johns, two influential pop-artists who Castelli had 'discovered' and promoted, received a monthly stipend of \$500 for rent and artist materials (Robson 1995, p. 101); minimalist artists Richard Serra and Donald Judd received monthly stipends for three and fourteen years respectively. Castelli received works in exchange for these stipends, but even when the work of the beneficiaries failed to sell, he continued to support them. Castelli himself claimed that his generosity was an expression of "my faith, my absolute certitude that they were, all of them, great artists." Richard Serra reconfirmed: "It was like getting a Rockefeller grant (...) Leo has always been generous, supportive, intimate and friendly, a throwback to another century." In the end, however, the earlier stipends were reciprocated generously when the reputation of most artists that Castelli represented became firmly established, resulting in a sharply rising economic value of the works he managed to sell. Also, as a result of these generous stipends, artists were unlikely to desert his gallery.<sup>6</sup>

Tying artists and dealers together, the social meanings of stipends can be stronger than either party finds desirable. One of my respondents, for instance, objected against using them for the following reason: "[A system of stipends] is very binding, it is very intense. It is also a very hard to discontinue psychologically. (...) Ultimately you want to be as close as you can to the artist, but also to leave some distance." At an anecdotal level, these comments confirm the performative quality of monetary payments: it is not just the case that payment structures symbolize or mark specific social ties, to some extent they also have the effect of creating and shaping them.

### **Be classy**

Similar practices can be retrieved in the relationship between dealers and collectors. For instance, if excess demand exists for an artist's work, it is largely at the dealer's discretion who to sell the works to. This puts dealers in the position of a benefactor in disguise, who can redefine the *quid pro quo* meaning of sales to collectors into favors: the collector is made to feel grateful for the fact that he was allowed to buy a particular work out of an exhibition. In general, dealers phrase sales by saying that they "gave a work to a collector for only \$4,000." Apart from this discursive framing of buying and selling, dealers give material gifts and do actual favors to collectors on a continuous basis. Think of in kind gifts such as catalogues of the artist's work or other precious books, a small artwork for free in case a collectors buys a large work or two works at once, monetary gifts like 'picking up shipping' or paying the sales tax, or intangible services such as privileged involvement in social activities of the art world, invitations to after-opening dinners, and visits to the artist's studio. Although to a lesser

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<sup>6</sup> See John Russell, 'Leo Castelli, Influential Art Dealer, Dies at 91', *The New York Times*, 8.23.1999.



extent, such gifts are reciprocated with counter-gifts from collectors. In my empirical research I encountered three different types of counter-gifts. First of all, collectors can frame a direct acquisition as a gift by buying a work from a show that was financially unsuccessful for the artist, the dealer, or for both; supporting the artists, these art collectors “double as philanthropists” as one painter put it in the *New York Times*. They do not only buy out of passion for art, but also out of philanthropic or altruistic reasons.<sup>7</sup> This means that they may not have bought a work if the artist already can make an easy living of his work. The second type of gift is assisting the dealer in promotional activities for the artist. Once a collector owns the work of an artist, she can bring it to the notice of fellow collectors or other stakeholders in the art world. Thus collectors participate in establishing the reputation of an artist and building a firm market for her work. A third type of gift from collectors, albeit only a small group, is to provide financial services to a dealer. For instance, collectors occasionally serve as so-called ‘backers’ of the gallery in case the dealer is short of financial resources. Also, collectors may provide loans to a dealer when he needs to make substantial investments, such as rebuilding the gallery space or acquiring an expensive but potentially profitable work on the secondary market.

Neoclassical economists may emphasize at this point that these reciprocal exchanges of gifts serve the economic interests of both parties. After all, they are an instrument in the management of customer relationships for a dealer, and safeguard the continuity of sales. For collectors, such reciprocal relationships increase their chances of getting access to desirable, scarce and highly valuable artworks (cf. Caves 2000, p. 46). Sometimes, this happens not even on a voluntary but on a quasi-coerced basis: some dealers, requires collectors to buy works of other artists represented by their gallery before they can acquire a particular work that is in high demand. This practice was especially prevalent in the 1980s.

Without wanting to defend a romantic interpretation of gifts (some artists prefer *quid pro quo* transactions exactly because of their relative clarity in mutual responsibilities and obligations), my claim is that such claims are untenable. First of all, my conviction is that motivations for engaging in reciprocal gift exchanges are complex, differ per person, and cannot be reduced to either self-interest or benevolence. If a collector buys a work from an unsuccessful show, he may not have increased chances of buying desirable work in the future on his mind, but may do so, as a young, struggling gallery owner put it, “just to be nice, just to be classy.” To deny that a sense of responsibility, considerateness or ‘noblesse oblige’ rather than just self-interest informs behavior of economic actors amounts to reductionism, or, worse, cynicism. Second, reciprocal gift exchanges on the art market also serve to strengthen, differentiate and mark relationships between two parties. The gift that is chosen is in other words specific to the relationship, while the monetary value of this gift does not necessarily correspond to its strength. A collector can be offended if he does not receive the ‘gift’ of an invitation to an after-opening dinner, but receives an expensive catalogue instead. Whereas the catalogue may be given to a collector the dealer has a weak tie to, intimate social events are restricted to a small group of collectors with which the gallery has been close to for a longer period.

Just like gifts, price discounts serve relational and economic purposes simultaneously. Although money does not seem to have the same differentiating capacity as in kind gifts,

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<sup>7</sup> Kelly Crow, ‘Sharing a Love Affair With Each Other and Artists’, *The New York Times*, 11.17.2003.

dealers manage to use it for these purposes anyway. Undoing their uniform, monetary format, they vary their magnitude and furthermore make distinctions between different types of discounts. The size of the discount is not just the outcome of bargaining power; it also symbolizes the tie that is at stake in the transaction. The meaning of the discount may also differ: it is either given for strategic reasons (to make a sale), for institutional reasons (to museums), or out of courtesy (to established clients of the gallery).

## Conclusion

Neoclassical economics, imperialistic as the discipline is, has started analyzing family and friendship relationships in the last two decades in terms of a capitalist logic of costs and benefits, allocation and efficiency (see Becker 1976). In this paper, I have made the opposite move: I have interpreted the way market relationships are governed in terms of a non-market logic. Contemporary art dealers mark and symbolize social relationships with artists and collectors by framing economic transactions in different ways and by redefining the meanings that their transactions generate. Reciprocal gift exchange, which infuses market relationships, fulfills the same relational purpose. Furthermore, with the help of price discounts, art dealers make distinctions between different ties they have with collectors. If market transactions and the objectifying nature of the price mechanism are contested in the art world, framing efforts, gifts, and price discounts ‘de-objectify’ these same transactions. Such relational practices are so endemic on the art market, that the distinction between a non-market logic that equals sociability, and a market logic which equals anonymous exchange, is ultimately a false one.

My interpretation of familial or friendly ties on the art market and dense gift exchanges differs from an economic analysis that reduces gifts and trust to ‘social glue’ that enhances the efficiency of markets. At the same time, I claim that the art world does not need to recourse to a pure gift economy in order to avoid the alleged harmful effects of *quid pro quo* market exchange. A caring relationship to an artist can be marked by a direct acquisition in case hardly any works sold during a gallery show. Likewise, an intimate, long lasting relationship to a collector may be marked by a courtesy discount, by privileged treatment in case of excess demand for an artist’s work, or by dinners with the artist and other collectors. By contrast, an anonymous customer who enters a gallery and wants to buy a work on the spot - the type of transaction assumed in economic theory - is the exception rather than the rule. Such a buyer can receive a flexibility discount at best, and only if the gallery faces hard economic times.

My findings suggest that the art market is supported by more than just the monetary influx of collectors buying art for hedonistic purposes. Instead, the market relies on a dense fabric of mutual gifts and favors: dealers subsidize artists, artists donate works to dealers, collectors occasionally buy works to support an artist or a gallery, or enact the role of the dealer’s moral and financial supporter. I do not want to suggest that self-interest is absent within this social fabric, or that the art market could be set apart from other markets because of some benevolent disposition of artists, dealers, and collectors.

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