

The Meltdown

Gallery sales drop to zero

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“We just moved into a new location, our artists and us were looking forward to the opening. We invested so much - all for nothing.” “I was at our partner gallery in Vienna to pick out works for a new project. When the announcement came that borders were to be closed, I immediately fled Austria, now I am quarantined for two weeks.” “We put a lot of effort into organising a show with a dozen students of a renowned German artist. Nobody is visiting the show, nobody buys.” Messages like this are plentiful these days.

With the cancellation and postponement of upcoming art-fairs the shutdown started taking its course. The entire public cultural life along with its institutions lies in a coma. But contrary to the museum director, gallerists are not receiving their salaries, and unlike artists they are not insured cheaply.

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Digital presentation is now on the rise. Online viewing rooms make a virtual presence of galleries and artists possible, new ideas of presenting artworks and building a platform online and on social media are tested and implemented. However, “emerging artists” are subject to an intensive contextualisation, and require a physical space for their work to be conveyed accurately and effectively; they need the communication and experience of the analog world. For every artist the exhibition space - in a museum, gallery, or fair - is more than a place of desire. It is essential. More than 4000 exhibitions (no admission fee) are organised for more than 11 000 artists (national and foreign) by galleries on their own financial risk. The relationships between the galleries and their artists are not only commercial, they are characterised by a personal and intimate nature. Following this symbiotic relationship, they promote mutual recognition and economic success for their work.

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Outsiders of the art industry are not aware that selling art is anything but a simple business transaction. The public's idea of a gallerist is that of a rich one in a constant party mood. This idea stems from the media's portrayal and reporting on speculations in the art market and blue-chip galleries, whereas the reality could not be more different: half of German galleries make between 50 000 and 200 000 Euros in annual revenue, only 14% break the 500 000 Euro mark.

The financial crisis of 2008 had immense consequences for the art market. Peer Steinbrück (former German minister of finance, and someone who knows) predicted the Corona crisis would get worse. And it did: sales have fallen to zero. Most smaller and mid-tier galleries do not have sufficient savings to fall back on. There are still fixed costs, employees receive short-time work contracts at best, bridge loans (if granted) will accumulate a mountain of debt that will hardly vanish after the crisis.

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The latest aid package for individuals in the “creative industry” decided on by the German government proves to be helpful in this situation. Hopefully many galleries will apply for these grants to receive financial influx for the first three months. The postponement of tax and artist social security payments, a relaxation and adjustment of the insolvency right, increased renter protection and more ammunition of the “bazooka” are beneficial for the time being, but at the end amount to nothing more than the proverbial drop in the ocean. Operation successful, patient dead?

What can (cultural)-politics do? The Corona crisis also poses a new challenge for politicians. With the German EU-presidency in July comes more influence and responsibility. In 2014 German art dealers and galleries were the only industry to be denied the right of reduced VAT; a wave of closings ensued. Correcting this would be a strong sign and honouring the efforts galleries make to enrich the cultural life in Germany. After a number of short-term aid packages, this would be an indirect and long-term directive to support and secure substance for galleries.

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Cultural politics in regard to institutions and visual art are foremost concerned with the subject of authorship. The art market as a third and protective pillar is not only barely acknowledged, but has also been put under immense strain due to the introduction of a multitude of regulations and laws in the past years. Resentment and projection seem to have been the culprits here. The theft of financial and temporal resources resulted in 80% of gallerists saying they would not take up the vocation again if given the chance, according to a survey of Berlin galleries in 2019.

Galleries have the same responsibility to art as a publisher does to literature. The latter is supported by cultural politics. Galleries are not. This must be changed, if the desire to sustainably secure the existence of artists is meant seriously.

Frankfurt galleries around the cathedral are opening their spring exhibitions without an audience. Through their large windows the exhibitions can almost be seen in their entirety. And the light - although nobody walks the streets at night anymore - now stays on a little longer.

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