

Black Hole Alert

Notes on the Indonesian Contemporary Art Market

Is the Indonesian art market racing towards an early demise? Mitha Budhyarto discusses the risks for art in a country without a cultural infrastructure.

Mitha Budhyarto

In January 2013 Singapore's annual international art fair, Art Stage, took place for the third time. The three-day event was held at the prestigious Marina Bay Sands Convention and Exhibition Centre, with over a hundred participating galleries. A heated controversy surrounded one particular feature new for 2013: the Indonesian Pavilion. Promised to be 'a show within a show' the pavilion featured galleries showcasing approximately thirty Indonesian artists. When Art Stage Director Lorenzo Rudolf – previously of art fair giant Art Basel –

1. Giancarlo Politi, 'Special Report: Art Fairs', *Flash Art* 254, May-June 2007, p. 102.

2. *Ibid.*

3. Concerned Voices for the Singapore Visual Arts, 'Government Support of the Indonesian Pavillion at Art Stage Singapore: An Open Letter', *The Straits Times*, 21 September 2012.

4. Vidhyasuri Utami, 'Indonesia', in: James Goodwin (ed.), *International Art Markets*, London: Kogan Page, 2010, p. 163.

5. Agung Hujatnika, 'Negara dan Pasar', *Melintas* 27:2, August 2011, p. 184.

6. Julian Stallabrass, *Art Incorporated*, Oxford: Oxford University Press, 2004, p. 4.

initially announced the fair's plan to create a pavilion for Indonesian art back in 2012, eyebrows were raised. This controversy was due in part to the heavy-handed role of the art fair in organizing the pavilion: Art Stage itself would commission the artists involved, covering all production costs and taking a fifty percent commission. Indonesian gallerists were especially aggravated. To them, it seemed that Art Stage was not interested in collaborating with them, but rather in taking over their role. Indeed, Art Stage's plan seems at odds with art fair norms. Traditionally, art fair organizers work with chosen galleries through the rental of booths, in which galleries showcase and potentially sell works by selected artists to private and institutional collectors. As Amanda Sharp, co-director of London's Frieze Art Fair and Frieze Magazine, said in an interview, 'I think the success of any art fair is contingent on the quality of the participating galleries. If you can attract the best galleries in the world, the best collectors will follow, and ultimately an art fair can only be successful if business is good.'¹ A similar sentiment was voiced by Samuel Keller, the Director of Art Basel, who claimed that '[t]he success of art fairs is traditionally defined by how well they serve galleries.'² Returning to the Indonesian Pavilion, however, Rudolf pointed out that there is a distinction between artists who are, and artists who are not, represented by local galleries, and stated that Art Stage would only commission the latter. Admitting the unconventional situation, Rudolf insisted that emerging markets such as that in Indonesia demand that art fairs adopt alternative strategies to those employed in Europe and the United States.

What this controversy highlights, essentially, is that the lack of a stable and dependable infrastructure to delineate the relationship between art fair, galleries, and artists invites speculative approaches. While proponents claim Art Stage's Indonesian Pavilion is supportive of art in a country without

an established system, many are suspicious as to the risks such an effort poses. Although observers and commentators agree that Indonesia has a number of vibrant local art scenes, a growing number of collectors, but a poor gallery system, many remain hesitant to agree with Rudolf's view that the Indonesian Pavilion is supportive of the gallery infrastructure in Indonesia.³

The Black Hole Analogy

When the Indonesian art market picked up in 2007, all signs that point to the existence of an economic bubble were present. While nineteenth-century Indonesian paintings had previously enjoyed relatively steady market appreciation, a sudden interest in works by younger-generation artists led large volumes of contemporary works to change hands quickly and at prices that were suspiciously high considering a lack of stable benchmarks to evaluate such works.⁴ Conventionally, it is the role of art galleries to organize exhibitions, and exhibitions are seen as an opportunity for artists to gain critical reception from their peers as well as the public. As this matter of course is frequently bypassed – as in the case of Art Stage's Indonesian Pavilion – there is even less certainty as to the cultural value (i.e. the position of a particular artistic practice within the larger Indonesian cultural history) of the works being collected. It is not a far-fetched contention, then, that the history of Indonesian contemporary art is shaping up to be a history of the Indonesian contemporary art market.

An intriguing observation was recently made by curator and lecturer Agung Hujatnika, who identified two anomalies in current Indonesian art practice.⁵ First, public institutions that support the growth of Indonesian art by organizing art activities do not represent the state but instead stand for corporate and private interests. Despite

7. Mizuho Sasaki, *Growth of Indonesian Art Market - Art for Art's Sake*, unpublished MA-thesis, Lund: Lund University, May 2012.

8. Theodor W. Adorno, Max Horkheimer, *The Dialectic of Enlightenment*, Stanford: Stanford University Press, 2002.

9. Patrick D. Flores, 'The Masriadi Effect: Skill, Sensibility and Scale', *World Art* 12, 2011, pp. 215-234.

the appearance of the state in terms of institutional labels and providing certain facilities, it fails to establish its power for setting up specific art-related agendas. The second anomaly, according to Hujatnika, is that despite a regional or even international art market downturn, the number of art exhibitions in Indonesia remains high. This signals that art trading in Indonesia is somehow unaffected by external market events, which curiously contests claims such as those made by Julian Stallabrass that the 'economy of art closely reflects economy of finance capital.'⁶ Hujatnika reminds us that the highest selling painting of Indonesian art exchanged hands in 2008, just as the global economy was heading for the worst. Looking at the recent history of the global art market the situation does appear as an anomaly.

In a 2012 research project titled the *Growth of Indonesian Art Market*, Mizuho Sasaki concluded that, contrary to the widely held belief that art has a kind of lasting intrinsic value, in Indonesia 'the aesthetics are considered almost secondary to the monetary value of artworks.'⁷ It is a mistake to think that the tension between market and cultural positions is unique to this particular case of Indonesian art. In the 1944 book *The Dialectic of Enlightenment*, Theodor Adorno and Max Horkheimer predicted the proliferation of a 'culture industry', where 'culture' becomes no more than a factory that mass-produces art-commodities for the popular demand of the masses.⁸ But the case of current Indonesian art is unique if one compares it to regions with a stable infrastructure that supports art practices, including such matters as established art-related laws and regulations, or even a national museum of contemporary art. As it is in Indonesia, there are no established laws that protect the rights, as well as demand responsibilities, of art practitioners, and no public institution whose purpose it is to set certain parameters for the position that a work of art has in the larger socio-cultural arena. Art history

has a paradoxical relationship with the market; what is unique about the current situation in Indonesia is that the lack of infrastructure results in an even more problematic situation.

The contemporary Indonesian art market can be described as a black hole: when a free market economy is compounded with a lack of governmental infrastructure, a territory with forceful gravity is created that entraps the cultural value of art practices while allowing only market validation to go wild. In an ideal situation, market value should equal cultural value; yet in the case of contemporary Indonesian art this correlation is proving a rarity, as art requires time to gain cultural value while the market demands it to move at a much faster pace. The speculative approach of Art Stage in fact echoes the approach of the local galleries, who promote young artists and instantly boost their exposure to a market-driven audience with the assumption that collectors will buy anything. This approach is dangerous for all parties involved. Artists become accustomed to attaining a certain superstardom among the financial elite, ignoring the fact that their careers also depend on recognition from other circles. Since these artists have not yet had time to gain critical recognition, the price of their work is not based on its potential historical value, but upon hypothetical conjectures as to how well it will perform as a marketable asset. Collectors buy into this conjecture, purchasing works as investments, and artworks continue to change hands in an accelerated cycle of the market, justified only by the market itself. As such, the Indonesian contemporary art market becomes a cultural black hole.

Artists

Without an infrastructure to support art practices, the market will continue to be the dominant driving force.

In this situation, key risks become inevitable. Artists who obtain status in a price bubble will find it difficult to find institutional and market support once the bubble deflates. Patrick D. Flores's study on the 'Masriadi effect' is a valuable reference.⁹ Nyoman Masriadi (1973) is a Bali-born, Yogyakarta-based artist who held high-ranking sales positions among Southeast Asian artists in the international circuit. In 2008 he received a pseudo-acknowledgement from the Singapore Art Museum in the form of a retrospective. The exhibition's curators claim that the show was an attempt to bridge the gap between market initiatives and the production of critical discourse. Yet, critics argue the show was a collector-driven attempt to instantly build a cultural purchase around Masriadi's works. And, if so, with success: at Christie's Hong Kong auction in 2011 over half of the Indonesian works sold at hammer prices that exceeded their already high estimates. At the top of this list was Masriadi's 2007 work *Uang Segar (Fresh Money)*.

In his article, Flores notes the disproportionate ratio between Masriadi's participation in exhibitions – including biennales – and the market performance of his works. He further adds that the critical reception of Masriadi's work remains limited, with the most significant voice attributed to Dwi Marianto, Masriadi's former professor at the Indonesian Art Institute in Yogyakarta.

Two points, then, must be noted about Masriadi's success. Firstly, his status in the market remains an aberration that builds upon highly speculative and volatile market initiatives, and other artists seeking cultural recognition must be aware of the risk this model poses. Secondly, a common discourse cannot be shaped by market initiatives alone, precisely because then it would become 'common' opinion geared at fulfilling the economic interests of particular actors. While theorists have argued for the impossibility of an objective, disinterested approach towards discourse, continued authority

from the market threatens the possibility of creating the critical distance needed to build a general discourse about art – the pressing problem faced by the Indonesian art arena.

Galleries

As the market maintains its dominance in areas that lack a stable art infrastructure, risky situations develop not only for artists, but also for galleries and dealers. As we have seen with Art Stage's Indonesian Pavilion, the current situation in Indonesia makes galleries and traders prone to being overstepped by international art fairs. It is worth noting that for Art Basel Hong Kong 2013, the event will be supplemented by various talks and discussions featuring prominent intellectual figures from the art world. Art Basel Hong Kong also has experimental programs that one would not generally expect from art fairs: *Encounters*, which is dedicated to presenting large-scale sculpture and installations; *Curators*, which invites recognized experts to curate particular exhibition sectors in Hong Kong; and *Insights*, which presents projects developed specifically for the Hong Kong show.¹⁰ If these efforts may be taken as signals for the direction that art fairs are going, then one may conclude that despite maintaining their commercial stance, art fairs are also taking the necessary steps in facilitating a critical reception for the works exhibited. It comes as no surprise, then, that contemporary Indonesian artists find the chance to exhibit at art fairs more appealing as it suggests the opportunity for critical recognition as well as the chance to be introduced to the international art market.

Collectors

Collectors are also put at risk by the current direction in which the Indonesian art market is heading. Economist Don Thompson's commentary on the general market is also true

11. Don Thompson, *The \$12 Million Stuffed Shark: The Curious Economics of Contemporary Art*, New York: Palgrave Macmillan, 2008, p. 190.

12. Faculty of Art and Design, Institute of Technology Bandung, *Gathering of Histories: International Seminar on Art History and Visual Culture in Southeast Asia*, 12-13 November 2012, Bandung, Indonesia.

of Indonesia: 'In a market where information is scarce and not trustworthy, the first rule is that the price level signals the reputation of the artist, the status of the dealer, and the status of the intended purchaser.'¹¹ This means that the extortionate prices collectors are paying for works say less about a work's historical or cultural significance, and more about how ownership of the work provides the buyer with a certain social status – 'trophy-purchasing', as it were. Seen from an 'art-as-investment' perspective, at this rate it is doubtful whether the worth of a collector's collection will come close to meeting expectations.

Education

The Indonesian academic world is also at stake, especially where scholarly rigor is concerned. Recently, there have been attempts to introduce art history as a scholarly endeavor. In 2012, the reputable Institute of Technology Bandung, home to one of the country's best art and design faculties, organized a two-day international seminar on art history with Asian art experts John Clark and Thomas Berghuis as keynote speakers.¹² Yet, aside from this praise-worthy event, when it comes to rigorous academic learning and research a general climate of apathy surrounds art education in Indonesia. The organizing of workshops and training in areas of curatorship, research, art-critical writing, and archiving has instead become a practice of artists-run or community-based spaces such as the renowned Cemeti Art House, ruangrupa, and the Indonesian Visual Art Archive.

If tension with the market is to be negotiated, then Indonesian art education institutions must immediately secure a more dynamic scholarly environment – both by establishing rigorous programs in the fields of art theory, history and criticism within their institutions, as well as by establishing a militant agenda for providing information to the general

public – despite the various hurdles they undoubtedly face. Let us not forget that academic institutions have the authority to set up parameters for art criticism, and they should be a veritable point of reference for the general public. As it is now, information about what justifies the validity of a work remains lacking, furthering a shared confusion about art and creating an even larger gap between art and people's lives. Therefore, if the market continues to be the dominant validating sector, the relationship that ought to exist between the public and art is also put at risk.

Despite its brevity, this essay contains an analysis of the risks that currently face the various actors within the Indonesian art world. If there is a lesson to be learned here, it is that a lack of infrastructure hinders the development of art as it allows market interests to be the sole indicator of the value of a work. As I have explained in the above paragraphs, this situation has a direct impact on artists, dealers, collectors, scholars, as well as the general public. If the situation carries on, then the Indonesian contemporary art world will remain an infinite black hole that entraps cultural significance while allowing only market value to validate it.

Personalia

Mitha Budhyarto received her doctoral degree in Philosophy: Humanities and Cultural Studies from the University of London, The London Consortium. She currently holds lecturing positions at several universities in Jakarta, Indonesia, for courses in Art and Design history and theory. She is also a curator for a number of exhibition projects, and is writing an introductory book on Aesthetics for undergraduate students.