Art in the New Plutocracy

By JAMES DELIBURGO

This fusion (or confusion) of private and public mission was characteristic of American museums founded as philanthropic gestures by the magnates of the industrial age. Fry mocked his role as “bearleader to the great man,” but he needed money from clients like Morgan to care for his ailing wife (the artist Helen Coombe) and to realize his own artistic projects. Fry made no forensic claims about the science of connoisseurship, unlike his vaunted contemporary Bernard Berenson. But he, too, appraised works of art and, to make a living, provided attributions and authentications both for the Met and for private collectors. Judging art involved intense personal rivalries and complex confidence games in a latticework of potenates and institutions. The Met competed with the Louvre and London’s National Gallery; Morgan competed with the likes of Henry Clay Frick, and Fry competed with Berenson.

Fry’s critical projects involved the dissemination of connoisseurship to a new reading public through The Burlington Magazine, founded in 1903; setting up the Omega Workshop (inspired by the Arts and Crafts movement associated with William Morris); and articulating a vision of art that assailed the “taint” of commerce. Fry urged appreciation of the spiritual elements of aesthetic achievement, hoping that the value judgments he offered in print would do more than provide ammunition for the “tipsters of the sale-room” to inflate market prices, though that proved unavoidable. There were two kinds of collectors, he concluded: the “sincere amateur, a true lover of the arts,” and those who collected “for the sake of collecting,” for whom “rapid alterations in the values at attached to particular works are as important as the fluctuations on the Stock Exchange are to the broker.” Real artists aimed at truth and art was no longer the mere status symbol it was in the age of Morgan. Instead, as Cohen’s exploits show, art has become an instrument of the hedge-fund billionaires and art collector Steven A. Cohen are instructive in this election season. Cohen, who in 2006 paid $137 million for a single painting by Willem de Kooning, did a deal with federal authorities after his firm, SAC Capital Advisors, was brought low by charges of insider trading some years ago. He is currently barred from managing other people’s money but by no means sitting idly at home. The New York Times recently reported that in addition to lending art to the Met and the Museum of Modern Art and making financial contributions to the Whitney Museum of American Art, Cohen secured a sizable financial loan for himself from none other than Morgan Stanley. Significantly, he used his art collection as collateral to do so. Cohen and his wife also contributed $4 million to a super PAC that ran an ad in New Hampshire that denounced John Kasich (formerly of Lehman Brothers) with the epithet “Banker.”

A century ago, Morgan was credited with saving the financial system yet was subjected to congressional interrogation by the Pujo Committee, which investigated the “money trust” in 1912. But where are today’s trustbusters?

Art is no longer the mere status symbol it was in the age of Morgan. Instead, as Cohen’s exploits show, art has become an instrument for generating wealth and political influence in the interests of an audacious plutocracy. In this sense, we are indeed being ruled by art and capital today! The continuing adventures of the hedge-fund billionaires and art collector Steven A. Cohen are instructive in this election season.

Morgan consolidated three new departments at the Met — Decorative Arts, Arms and Armor, and Egyptian Art — marking its evolution from art gallery to encyclopedic collection. (He was cruising the Nile on a pleasure boat when he suffered a stroke there in 1912.) He donated many works to the Met and the Wadsworth Atheneum, in Hartford, and founded the Morgan Library. Today J.P. Morgan Chase Bank and the investment firm Morgan Stanley also bear his name.

This division of Morgan’s financial legacy into different institutions resulted from the Glass-Steagall Act (1933), which legally separated commercial and investment banking until 1999, when Congress and the Clinton administration joined forces to repeal it. Some commentators have identified the repeal as an important cause of the 2008 financial crisis. Since then, public services have been subject to heavy cuts, while financial profits and art prices have continued to climb.

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