

Panel V  
Public and private

## Art and Money: Scenes from a Mixed Marriage

Walter Grasskamp

After many years of neglecting his duties, the careless Christian, Joe Average, decides to attend Sunday Mass once again. He manages to interest his wife in accompanying him, and a skillfully handled conversation over breakfast even wins over his teenage children. At last, they all set out for the parish church, which they remember as a somber building. But now it welcomes them with the glowing radiance of recently sandblasted stone, and the interior continues the surprise: every wall sports a fresh coat of white paint, all the baroque sculptures have been newly gilded, and the floor is immaculately laid with white marble. Joe Average has to ask himself whether this is really the church he has not visited for so many years.

As the service begins, he is delighted to see that the bowed veteran dedicated to abstinence and looking every bit the part no longer officiates at Mass. Rather, a slim, sporty priest with long, dark curls puts such pizzazz into the proceedings that the children even turn off their iPods. Joe Average barely has time to cross himself before the man of God leaps to the pulpit, from where he delivers a sermon which holds all listeners spellbound. He thunders against the heartlessness of the rat race, turns sharply against the dubious nature of material possessions from the perspective of certain death, and concludes with a shattering condemnation of consumer terrorism, peppered with a few ecological motifs.

After the sermon, the church's impressive interior resounds with the powerful notes of the organ, and is gripped by the ringing tones of a large choir, which—as Joe Average notes, not without an inner stirring—is made up entirely of young, blonde women singing with the tongues of angels. Shortly before the final blessing, and just as our friend experiences the clear sensation of having reached the invisible bounds of Paradise, the dynamic man at the altar comes to a sudden halt.

Large speakers—through which a velvety voice had announced the hymns to be sung as a congregation—now reverberate with an announcement that stuns Joe Average. The soft voice thanks him and all the other participants for attending and assures them that it would be a pleasure to welcome them again. Then it informs listeners that the speaker system was supplied by Sony Corporation and that the church is much obliged to the local Yamaha outlet for the organ. The choir was sponsored by Vicks Vaporub; the wine was donated by a highly recommended restaurant in the neighborhood, and the building renovation has been made possible by a local real estate agency. Completely disillusioned, Joe Average finally learns that the hip priest is a Mercedes-Benz Itinerant Preacher. This announcement concluded, the priest gives the final blessing—of which Joe Average is now direly in need. Too late,

he has realized why the stars on the ecclesiastic robes had seemed so familiar to him throughout the service.

As one might imagine, family lunch at a nearby restaurant is lively. The father displays symptoms of shock over such blatant corporate sponsorship. The son, however, is very taken by the fact that the Church has at last decided to acknowledge the everyday life of its faithful. He, too, has a Yamaha organ to call his own, be it a smaller model. Moreover, he has always insisted that his father is losing contact with the real world.

The sister contends that such promotion of consumer goods is hardly compatible with the sermon's content, though the priest had very much impressed her. Unwillingly, she must bow to her brother's arguments, never having heard such a stirring call to repentance from any other priest. In her eyes, this proves that maximum potential should be promoted unconditionally, albeit through sponsorship. With corporate sponsorship taking charge of its upkeep and renovation, the Church's finances would be freed up for much more important social concerns.

These arguments fail to convince the father. He contends that the ecclesiastic mandate is basically incompatible with the worldly promotion of a corporate sponsor's trademarks. But the mother, well versed in art history, reminds him of the medieval altarpieces that featured portraits of their donors—smaller of course than the images of the holy and the blessed, but prominent enough. Later, they would even become the same size. She points out that during the fifteenth century, Piero de' Medici donated a marble tabernacle to a Florentine church, on the condition that the Medici arms appear on the Holy of Holies. Here, she emphasizes, the ultimate criterion for sponsorship has already been fulfilled: reproducing a logo in return for money. But in those days, it wasn't for the purpose of commercial advertising, the father insists. And history aside, the Church could surely afford to finance itself these days. As a bank manager, he knows very well just how rich the Vatican is, and that its dealings are not always carried out as Jesus would have liked.

But the important thing, contradicts the daughter, is the Gospel: it has to be delivered to the people, even if the evangelists fall short of the message—the end justifies the means. The father rejects these arguments as too Jesuit. Yet he confesses that he himself can no longer be certain whether or not the ecclesiastic mandate is ultimately reconcilable with the idea of accepting money from patrons. In any case, he concludes (the pizza having just been served), attending Mass had been worthwhile if only for the subsequent family discussion—something they had not engaged in for a long time. As he serves himself a slice, however, he involuntarily examines it to see if the chili peppers have formed a pattern that might be interpreted as a trademark.

On Sunday afternoon, the father sits at his desk and ponders the issue. The following morning, during the ritual gathering of the bank's board of directors, he raises

the question of whether or not it would be timely to follow the general trend toward sponsoring religious rituals. At first, the board members are irate, but after hearing a little more information, they express some interest in the proposal. The bank's marketing director confirms that the switch to such advertising platforms is inevitable. Media specialists have found that consumers hardly even notice conventional advertising these days. Print advertisements receive only two seconds of attention as the reader scans the pages of the advertising medium—in other words, a newspaper—and many a disgruntled consumer completely ignores glossy two-page spreads. With the invention of television and the remote control, *the reception of product information*—as he puts it—has gone rapidly downhill. According to recent surveys, more than fifty percent of viewers reach panic-stricken for the control when a commercial announcement interrupts the film or program they are watching.

In contrast, the placement of brand names in unexpected contexts achieves remarkable results, and at the same time, is fairly cost-effective. Only recently, certain companies have succeeded in having sponsorship costs recognized for tax purposes as advertising expenses. Should this trend spread, he adds, rubbing his hands, media-functional largesse will also be of interest on cost-technical grounds.

Responding to questions, the advertising expert admits that the presentation of brand names outside normal advertising contexts is still a delicate issue. Due to the traditional fineness of feeling on this subject, he would therefore not advise sponsoring worship—much resentment would have to be overcome, especially in Catholic areas. Instead of a patronage of *cults*, he would recommend the patronage of *culture*, which is *sensitive to its milieu*, to use his phrase. It, too, is still prone to the effects of prejudice: unfortunately, they do not enjoy the liberal situation of the USA, where culture and economy share the same bed. But curators' and artists' resistance to change is fading and the public is leaning toward a *more liberal point of view*. In conclusion the bank's executive manager asks him to intensify his contacts with local and regional businessmen and curators to develop new possibilities for collaboration.

### The Aesthetic Syndrome

The family discussion in the restaurant and the marketing director's views present a collection of arguments concerning corporate sponsorship of the arts, a common practice since the 1980s. The analogy between art and religion is surprisingly appropriate. If one finds the idea of a Mercedes-Benz Itinerant Preacher farfetched, I could mention that at Harvard, there is a specialist working at the celebrated Busch-Reisinger Museum whose business card declares him to be the "Mercedes-Benz Curator." This is Peter Nisbet, an informed man of our times, who once confessed to holding an ironic hope that one day he might find himself cited in a work by Hans Haacke.

The analogy between cult and culture has an historic legitimacy, too, because economic taboos first arose in the context of religion: it was the medieval Catholic

Church that made efforts to outlaw the desire for wealth and competition—the very impulses which were to form the basis of capitalism. *Ora et labora*—“pray and work,” the oldest monastic rule—paved the way for the development of a non-commercial work ethic. It was based on the belief that anything not performed for God’s pleasure was of the Devil, and must be reckoned among the seven deadly sins. These included *greed, envy and gluttony*—three economic motives notorious in today’s commercial world. The contempt toward the commercial in culture—still the norm today—owes more to religious traditions than many may be aware of, especially if one takes a Marxist view of things. The religious rejection of commerce in culture still operates today—without much practical influence, but with great rhetorical prestige.

The religious denigration of commerce is, however, not the only historical influence still active against capitalism. The aristocracy also followed the principle of distinguished disdain for bourgeois industriousness. The nobility of the eighteenth and nineteenth centuries viewed middle-class interest in culture with contempt. The aristocracy, used to extravagance and lavishness, denounced bourgeois frugality and the stigma against cultural funding as sheer pettiness. Socialism was to form a third influential tradition that would stigmatize bourgeois economy and culture.

The critical theory of the late Theodor W. Adorno embraced all three traditions of rejection, though he gave the impression that it was the aristocratic one that fascinated him most. Indeed, this may also be said of another great cultural theorist of the twentieth century: the French philosopher of extravagance, Georges Bataille.

Until well into the modern period, the market economy was not recognized as an independent domain with its own rights and significance, but as something requiring direction from an external system of ethics. Even if the market economy has finally emerged from the shadows of religious, aristocratic and socialist stigmatization, it is still denounced whenever it comes into contact with the arts. So today, not only do priests, princes and party ideologists act as advocates of the continuing stigmatization of the market economy, art criticism has also assumed the same economic taboos.

Early nineteenth-century Romanticism propagated a religion of art, a *Kunstreligion*, and in fact, to this day, there are obvious affinities between religious and artistic ideologies, in literature, music and art—heroic attitudes of devotion and independence, even contempt for worldly goods and interests. Obviously, enlightenment and secularization were only to be had at the price of essential elements of religion being passed on to art. The case in fact bears some resemblance to the political disempowerment of the nobility, which did nothing to impede the fact that it would continue to define good taste for many years to come.

At the heart of this religion of art was the illusion that art was something removed from—and free of—the market: a very seductive fairy tale, indeed, but not borne up by the historic evidence. Already by the early nineteenth century, art was being published, sold, collected, resold and auctioned for a considerable profit on open and rapidly growing

markets. This had little effect on aesthetics, however, because there persisted an artistic-religious view that required the artist to remain unmotivated by economic necessity and to only work to fulfill a higher, ultimately inexplicable, creative urge.

This illusion—residing in the unrealistic denial of the economy’s influence on art—may be termed the *aesthetic syndrome*, and it emerged and flourished in the bourgeois economy: while outwardly advocating a pure, autonomous art, bourgeois society commercialized art as a promising commodity.

Art historians and critics—my colleagues—contributed in no small measure to the suppression of the increasingly commercial nature of art. Only materialist and Marxist representatives of art scholarship—most of whom did not come from academia, such as Walter Benjamin, Carl Einstein or Arnold Hauser—had already pointed to art’s commercial context in the early twentieth century. But in any academic school of art history, at least on the continent, it was traditionally considered extremely *poor taste* to talk about art in terms of a market, except for much of the Golden Age of Dutch painting during the seventeenth century.

Since the 1980s, a series of publications has shown a shift in this attitude. One could mention Svetlana Alpers’ *Rembrandt’s Enterprise* (1988); Dario Gamboni’s treatise on Odilon Redon, *La plume et le pinceau: Odilon Redon et la littérature* (1989); Otto Karl Werckmeister’s study, *The Making of Paul Klee’s Career: 1914–1920* (1989); or former Tate Gallery director Alan Bowness’s essay (a Walther Neurath Memorial Lecture), *The Conditions of Success: How the Modern Artist Rises to Fame*, to name but a few. So discussing the correlation of art and economics is no longer regarded as a Marxist *idée fixe*, but rather as a new feature of academic research, placing the formerly idealized, supposedly “free” artists in the context of their everyday dealings.

This point of view was fostered by historians, too: for instance, Peter Paret and his great book on the early modern art market in imperial Germany, *The Berlin Secession: Modernism and Its Enemies in Imperial Germany* (1980); Robin Lenman’s excellent study of the art trade in southern Germany during the early nineteenth century, or the late John Michael Montias’s socioeconomic studies of Vermeer and his Delft contemporaries.

It seems no coincidence that many trendsetting books were written by Anglo-Saxon historians, and—as in the case of Francis Haskell—art historians. It seems that Anglo-Saxon historians could deal more freely with the economic aspects of art than most of their German colleagues had been able to under the spell of the Romantic art religion.

The recent change of paradigm did not come out of the blue, of course: art itself had changed before. It took Pop Art to break the spell of art religion. The overtly affirmative self-marketing of the Pop Artists represented a—if not *the*—decisive step toward the end of the aesthetic syndrome in art history and art criticism (which, by the way, Marcel Duchamp had questioned in interviews as early as 1915). Andy

Warhol's entrepreneurial confessions made it possible to see Rembrandt as an entrepreneur in retrospect.

The sweet dream of an art that was "free of the market" could no longer be sustained in the mass media either. Aggressive art marketing, as reflected by auction records and by the numbers of people attending art fairs, has long helped to form media success stories which contradict the old illusion. From the 1980s onward, we find many traces of this cultural economic awakening: in the 1990s, the famous Toulouse-Lautrec exhibition in Paris was reviewed by the leading German news magazine *Der Spiegel* under the title, "The Bohemian as Entrepreneur," and the distinguished German weekly *Die Zeit* introduced the elegant classicist Berthel Thorvaldsen as "the most successful artist-entrepreneur of his time." Even the honest Franz Marc was put under the microscope for his successful commercial strategies wherein Wulf Herzogenrath found fitting evidence of early "marketing." Accepting that art in and of itself is—and has been for centuries—a market governed by strict capitalist standards, we find ourselves as disillusioned as Joe Average when faced with the Mercedes-Benz Itinerant Preacher.

### Social Decoration

Although the commercial character of art was finally acknowledged in the 1980s, this has not affected the discussion on corporate sponsorship and collecting very much. As long as art appears in its own shop windows, this no longer seems to be a problem, but it remains a problem when art appears in the shop windows of other markets: banks and corporations. Is this in compensation for the loss of the illusion of art being non-commercial?

In any case, it is amazing how societies develop and maintain a desire for clean spaces in a moral sense: clean of economic or any other form of self-interest. It seems that this desire grows in parallel to the influence of the economy. But the demand for clean areas outside of commerce leads people to overlook the fact that these areas have economies of their own—that there always is a special economy in that which seems to be uneconomic. Thus, selling things that seem non-commercial can be big business, as the art market has proven.

Given the demand for clean spaces outside of commerce, art still appears infiltrated, if not poisoned, by external influences such as sponsors and corporate collectors. Corporate sponsorship is in fact generally linked with the sponsor's interest in purchasing public mention in the prestigious art world, invading this field of autonomous signs with its logo. But why should that lead to so much conflict?: if the exhibition, opera or book is not changed except to display a trademark at the entrance, on the curtain or on the front page, only a very weak piece of art should suffer from this coexistence.

And what right do the newspapers, for instance, have to polemicize against bank and corporate sponsorship of the arts when everybody knows that without the advertising from exactly the same sources the newspaper itself would be much more

expensive and practically unsaleable? What credibility can a critic of sponsorship have on a T.V. talk show when television itself is financed by commercials, not to speak of televised light entertainment financed by sponsors?

True, the validity of moral criticism does not depend on the personal credibility of its advocate. But there are more arguments against the notorious criticism of sponsorship leveled by the media. Respected newspapers and television channels prove that it is possible to safeguard their editorial independence despite the massive reliance on commercial advertising, in a State-decreed *balance of interest*. If some of the mass media succeed in safeguarding their independence and making it their trademark despite their commercial associations, one must ask why, under the same circumstances, should art *not* be allowed to preserve its alleged autonomy?

Is the rejection of sponsorship in the arts based on the concern that artists and their agents could prove more naïve or corruptible than editors or political journalists? Or is it a preventive measure engendered by the fear that art's autonomy might only be due to the lack of opportunity for betrayal? Is art a much more sensitive entity than a newspaper report, where truth itself is at stake?

Unlike publicity, a telenovela or the news, art is expected to be multilayered in its content and intention and therefore open to interpretation and responsive to different modes of perception. But this may have become a sentimental notion. Much of contemporary art is obviously made to fit into any presentation context—be it a public exhibition or a sponsor's lobby, a private apartment or a corporate collection, an art fair or a collector's private museum, a gallery or any company's headquarters. A growing number of artists have no scruples about associating with any player on the field and thus serving their own interests; a huge part of contemporary art seems only to have been made as a fashionable social backdrop. So what is left to be defended against sponsorship on strictly moral grounds?

For the greatest part of its history, art was an ornament of power, until modern art broke this alliance by proclaiming its autonomy. But has the dogma really changed very much in practice? Do we have to revise this dogma or should artists and art mediators become more aware of their role in capitalist societies? I'm afraid most of them *are* aware and eager to claim their share. If ever there was something *incorruptible* in art—something that cannot get lost on its way through the market—I am afraid that there may be fewer examples of that all the time.

But even if there is a lot of art that is compatible with any corporate sponsor's or collector's interests, we cannot be sure that it is worse than the art that criticizes contemporary society and thus risks marginalization. Our opinion on art is rarely influenced by the political and ideological circumstances of its production, otherwise we would *not* admire Caravaggio or Bernini, for instance, because of the dubious roles they played in the Catholic recovery of power during the baroque era. So we cannot be sure if today's most opportunistic art will not be admired in the future for qualities unseen by us.

While many artists voluntarily collaborate with corporate sponsors and collectors these days, this cannot be said when sponsors stamp their logos on exhibitions of historical art, whose creators cannot be asked for their opinion. Henri Matisse, for instance, would probably not have objected to producing a series of paintings for a bank lobby, but to see his paintings included in a recent exhibition under an insurance company's logo certainly looks like a case of cultural piracy.

In general, however, it has become increasingly difficult to come up with reasonable arguments against sponsorship, if we regard art itself as a market for consumer goods—albeit in the category of either luxury or didactic goods. If art itself is a capitalist market, then it is difficult to isolate it from the rest of the economy. How could that ever be justified? Because art has nobler intentions? What exactly are these intentions? Does it produce consumer goods that go beyond consumer culture, and if so, where exactly do they go? Are its decorative qualities only designed to provoke spiritual experiences, and is it successful in this respect? Does art spend only a short time on the market, to be strictly non-commercial before and after? Is it a special consumer good, unlike all the rest? If money from any private collector is generally welcomed and rarely examined, why should corporate collectors and sponsors be unwelcome? And if a moral screening of art buyers were to become the norm, wouldn't we be shocked by some of the activities of certain esteemed collectors? If money is taken unscrupulously from private collectors who only serve themselves, why is the money of sponsors—who in a sense serve the public—automatically placed in doubt?

### Camouflage

Social decoration is not the only service that art traditionally offers to its political and commercial partners: it also provides some moral elevation. That is the very reason why it is the sponsors who are dependant on and tend to support the old myth of art as something separate from the market economy, emphasizing its transcendent character in order to profit from its moral appeal. In this they echo many artists who act as entrepreneurs but talk like priests of the religion of art, many of them unaware of the contradictions inherent in their own attitude. If these artists are empowered by sponsors it is not the sponsors alone who should be criticized. The point is that art's non-commercial aura is indeed of great commercial value—not only on its own market, but also in terms of the *media*. The greater public stills believes in art's non-commercial nature, making it the ideal camouflage for commercial motives.

It is of course more problematic when the sponsors are seeking not only decoration and moral elevation, but also a diversion tactic, especially when companies facing criticism for their business practices invest in art to *deflect attention*. This is probably not as frequent as one might think, but more common than one would like.

This is a point of tension between art and business that the artist Hans Haacke has spent recent decades examining. It is not necessary to describe Haacke's work

in detail—he was last year's guest speaker at this conference. So let me just cite an early piece of Haacke's, dedicated to certain choice phrases from the lips of New York executives, including this gem from Exxon manager Robert Kingsley, conspicuous for its candor: "Exxon's support of the arts serves the arts as a social lubricant. And if business is to continue in big cities, it needs a more lubricated environment."

In a famous case of such "lubrication," the painter Walter Dahn complained in the 1980s that the leading German bank—the powerful *Deutsche Bank*—had only bought and shown his paintings and the works of other colleagues to distract attention from the bank's alliance with the then still-racist regime in South Africa. So he declared in an open letter that he would never sell any painting to this bank as long as it continued such business practices.

That is an honorable attitude, but at the same time it raises some questions. To name but two: do artists overestimate their influence or presence in corporate collections when they claim that art is used to camouflage distasteful business connections? And do corporations, on the other hand, overrate art's ability to throw up a decorative wall around their less-than-decorative business schemes? Is sponsorship in the arts thus a result of mutual overestimation?

Haacke once quoted a French executive at Cartier who claimed that by generously supporting the arts, the company would be able to *get tough on other issues*, probably thinking of negotiations with workers' unions or questions of ecology. In this case, sponsoring the arts would really pay for itself. But I beg to differ with the Cartier executive: art may function as camouflage, but can it seriously be expected or suspected to act as a buffer in economic or political conflicts?

Of course, Haacke cites only the worst examples, but clearly they are not that difficult to find. I wonder if the worst cases of sponsorship are indeed the typical ones. Is it worthwhile demonizing the subject, as many critics did in the 1980s and only few still do today? Or is it a kind of vision of horror, cultivated to detract from the common practice of sponsoring and the profits it generates for the arts? The urgency with which sponsorship has been discussed during recent decades reflects the fear of an economy that, like a termite, hollows out all other values from within. The economy is blamed for corrupting every other sphere of society and for subjecting them to its interests, while the sponsor is portrayed as embodying those vested interests with which he adulterates art, like an economic virus.

### The Rules of the Game

And yet, there is still enough naïveté in this area in order for—to paraphrase Bertolt Brecht—a repetition of the truth to become as important as the truth itself. Take the Brazilian football legend, Pelé: an artist at least as admirable as Hans Haacke. When he attended the World Cup in Germany in 2006—where his team lost, as did mine, despite all the good wishes Ivo Mesquita sent to me during the tournament—Pelé

was asked what he thought had changed in football since his time as an active player. His answer was, "Everything that happens off the field. In short: publicity, endorsements, and most of all technology, communications and the media, without which a tournament could not be sold to a worldwide market and therefore would not attract commerce or advertising dollars. But on the field itself, not much has changed at all."

Pelé's views are plausible insofar as no endorsement or publicity contract could ever change the rules of football that concern throw-ins or offside, for example. Not only do these rules exist on paper, they are also reinforced by referees on the field. However, is it really possible that the increasing amounts of money spent on endorsements and advertisements *around the field*, along with worldwide attention and media distribution, have not influenced the game itself? It is hard to believe, because—as Brian Eno put it—"Attention is what creates value."

This value is manifested today in the incredible sums that are paid to players, and also in the brutality of competition on the field, and the more violent body language in reaction to how rules are interpreted. It has led to shocking cases of corruption, among referees above all. So Pelé is too optimistic: even football—or especially football—is showing the effects of such a massive commercialization of a previously populist game.

Unlike football, art has no fixed rules: they have been abolished not only by the artists themselves (Marcel Duchamp, for instance), but by the growing importance that dealers, collectors and the art market in general have taken on during the twentieth century (the Saatchi collection, for instance). A game without any explicit rules is much more vulnerable to outside influence than one such as football.

### Clean Money

Knowing how profits are generated in the tobacco industry puts yet another twist into the debate, because it reminds us of how often money spent on such pure items as works of art can be corrupt. In fact, it corresponds to the aesthetic syndrome: that funding for the arts may only come from pure sources such as public money. This is astonishing if one looks at the issue historically: cultural finance has always been a dubious affair, particularly given the fact that in periods widely regarded as golden ages in art history, culture always provided *evidence of the barbarism* which frequently secured its funding from the murkiest of sources—to paraphrase Walter Benjamin.

Even the enlightened Landgrave of Hesse—who commissioned the Museum Fridericianum in Kassel as the first art museum to be built specifically for the public—replenished State coffers by renting out his own subjects and certain abducted wayfarers to the British army as cannon fodder during the colonial campaign in America. So when you visit this museum, you enter, and probably enjoy, a wonderful palace of art, literally built with blood money that continues to garner profits.

Only in modern democracies have State financial guarantees lost their notoriously dubious nature. But this somewhat of an illusion, too. Democratic cultural finance

only *appears* problem-free to sympathetic observers. After all, the State is only redistributing funds it has acquired through taxes—from the profits of environmental pollution, exploitation, and the wastage of natural resources, if indeed such taxes were ever paid. This money can only be legitimized through its redistribution by the State, which amounts to something of a *moral money laundering*. The source of national wealth is, and remains, the economy: even the upright and embittered Old Leftist professor, paid with State resources, takes homeopathically diluted doses of the gains from weapon industries, stock market dealing and environmental contamination. In a commercial society, nothing exists in a pure form, and so even in public funding money cannot be regarded as "pure" or "clean" with respect to its origin.

The preference for "public" spending on the arts feeds yet another illusion: that of politically disinterested State support, concerned only with culture's eternal right to exist. However, a closer look reveals otherwise: it is common knowledge that politicians and their parties bolster their public image, at election time and after, by linking it to arts funding. Here, one might question whether the way party politics exploits culture is really more honorable than commercial exploitation. History shows that aside from party interests, State funding of culture has always manifested political interests.

Of course, the great advantage of public funding for the arts is that it can be expected to be neutral and transparent in its pursuit of the *greater good*, having no individual power to channel funds in any particular direction. Therefore it is generally executed by institutions responsible to the public, and advised by independent consultants, individuals such as ourselves. It seems that any moral criticism of sponsorship has only been made possible by democratic cultural policy, which has economically and politically neutralized cultural funding by acting through legal methods and by blurring the origin of the money garnered through taxes.

### Foundations

One of the most unwelcome effects of sponsorship is that it gives politicians every reason to refuse public funds to art museums and cultural events. Applicants are told to get their money from private sources, even when there is no chance of this happening. This has led to an exploration of new models of non-commercial cultural funding. One is to establish public foundations, a recent fashion in Germany, and a good one because following some prominent cases of misdirection of funds in the past, foundations are now legally defined and controlled. When overseen by competent boards of experts, public foundations seem to be the best way to combine private money with legal control, democratic procedures and noble aims.

Foundations offer benefits to everyone concerned: to the State, that has to sanction them, because they take over some of the State's responsibility for financing culture. To the donor, because they offer the possibility of seeing one's money—no matter how dubious its origins—spent on a good cause: a good end *may* justify unseemly

means. And to any applicant, because he or she can expect a fair hearing based solely on the quality of his or her project.

However, this solution is not infallible and incorruptible—but what and who is? Compared with all other current models, this one is the least likely to involve moral problems and the possibility for a misdirection of funds, as long as there is some competent legal control in place. And after all, foundations can deliver high standards for the practice of sponsorship, which is not necessarily a bad thing, as I have tried to point out, as long as it is discussed openly and in detail. To conclude, there are a number of different solutions and variations that I can recommend, but all of them are governed by one general principle: *think liberally, act responsibly*.

## The Pertinence of Dialogue

Ery Camara

First of all, I want to express my thanks to all the individuals and institutions that have made this significant exchange of ideas possible. In particular, I want to thank our director, Ivo Mesquita, for giving us the opportunity to discuss these issues that are in such urgent need of our attention.

All the debate over the past few days has either clarified or clouded our perception of the relationships and transformations occurring in art practices; their promotion; the narratives that are constructed for their processes of assimilation, legitimization and integration into a system of values; and the policies designed to develop the cultural sector in a market society. In our current situation, the economic measures established by globalization mold the standards of production and consumption while at the same time create networks in which the flow of transactions and the transfer of values and images project and design new identities. Indeed, before the government's progressive retreat in terms of subsidies and significant investments in culture, the need to find new allies in the realization of projects has become an international practice fomented by fiscal policies and agreements which, by means of multiple reforms, are reconfigured and reformulated according to public and private priorities. The omnipresence of the State in the management of cultural policy has given way to a plurality of supply.

Our round table's theme is *Public/Private*, and its objective is to reexamine the complexities of this relationship as it affects the artistic and cultural sphere: how the transfer of responsibilities from the State to private initiative in terms of the financing of cultural projects has affected the investigation and production of art today, but also its promotion and consumption. Economic reforms driven by neoliberal policies have forced governments to gradually cut back on subsidies to the cultural sector, and at almost the same time, cultural industries have begun being promoted as a new tourist attraction and fuel for development. All this has meant that the administration of projects and institutions now has access to a mixed economy with a renewed interest in cultural management. This phenomenon has caused concern in art criticism, cultural studies and what is now known as visual studies, marking the divisions between its detractors (who are not frightened by the inherent dynamic between art and the market) and those who intentionally or unintentionally point out the ways in which the power of a particular market or excess and frivolousness in speculative practices can change the functions and responsibilities of institutions and cultural activists. When economic power becomes the most sought-after lubricant to ease culture's conversion into an industry, the situation lends itself to all kinds of speculation. In the worst cases,