

# What is the Value of Art? Is Leonardo worth \$450 million?



There is no intrinsic value in art works, nor any objective criteria by which categorical judgments can be made. The price paid for art results from many factors: the provenance, origin

or ownership history of the work, its authenticity, physical condition of the work, quality, whether it reflects expressions of the *Zeitgeist*, communicates ideas, comments on national or religious beliefs, the pressure campaign of auction houses.

Much of the price depends on taste, on the current reputations of the artists, and these rise and fall, as does their marketability. A notable example is Raphael, once regarded as the greatest of painters, but whose glow has dimmed as his works are seen as too smooth and sentimental for present tastes.

Art has increasingly become an investment for the wealthy business people, replacing the church and aristocracy patronage of the past. The art market is notoriously opaque, basically unregulated officially, with a lack of transparency, and raising questions on market manipulation, clarity of pricing, certificates of authenticity, gray areas. It can also be the device for fraud, as shown in the Knoedler gallery scandal; in 2016-2019, tax evasion, money laundering, or speculation.

The art market is related to the amount and distribution of wealth in the world, to the reality that there are almost 1,500 billionaires in the world. The art market has grown enormously in recent years: in 2012 it accounted for about \$56 billion worth of art. It is now global, not dominated by the U.S. and Europe: China and Hong Kong represent about a quarter of art sales, and acquisitions are increasing by the Gulf states, particularly Qatar and the United Arab Emirates, thus driving up top prices. Art is portable. Qatar in 2011 bought Cezanne's *The Card Players* for \$250 million.

Art buying is reflected in art fairs, activities of galleries, museums, and auction houses, and individuals eager for what they see as a glamorous lifestyle. Auction houses drive up prices, even extending loans to clients. At the core of the market is changing taste, preference of prevailing cultural or aesthetic factors, as well as the reputation of the artists

and the marketability of their works, supply, and demand, and increasingly, investment. And in spectacular fashion auction houses can be the major factor in determining the price of art. It can be argued that the main factor in the record sale of Leonardo in November 2021 was the publicity campaign of Christie's as much as the artist himself.

The changing taste is reflected in the high prices in recent years: Willem de Kooning \$300 million (2015). Cezanne, \$250 million, (2011); Gauguin \$210, (2014); Jackson Pollack \$208, (2015); Gustav Klimt \$183.8, (2013); Mark Rothko \$186 million, (2014); two Rembrandts \$180 million, (2016,) Picasso \$179.4 million, (2015); Amadeo Modigliani 170.4 million (2015). The two highest paid women were Georgia O'Keeffe \$44.4 million (2014,) and Louise Bourgeois \$28.2 million.

The artist, revered throughout the world, the Italian polymath of the High Renaissance, who has a small number attributed to him, is Leonardo da Vinci. His paintings *Mona Lisa* and *The Last Supper* are not for sale, but his *Salvador Mundi* was sold for \$450 million. However, today its value has been downgraded, because of controversy suggesting that it was only partially painted by him and that others, pupils or assistants had completed it. According to the current market, a work produced in Leonardo's studio is not likely to be priced at more than a relatively small amount. At the auction in 2005 the painting was listed as by "After Leonardo da Vinci", and price estimated at \$1.2-\$1.8 million.

On November 15, 2017, a painting *Salvador Mundi*, marketed as a rediscovered and restored Leonardo da Vinci work, was sold at an auction at Christie's in New York. There are two versions of the buyer: one is that the buyer apparently was a Saudi Arabian prince, probably on behalf of Mohammed bin Salman, Crown Prince, and power behind the throne whose reputation has been damaged by allegations of links to the murder of the journalist Jamal Khashoggi in Istanbul in 2018. The other is that the real buyer is the Abu Dhabi department of culture. It

is the most expensive painting ever sold. Four years later, the Prado, the main Spanish national art museum, in Madrid, had downgraded the value of the painting saying it was only attributed to, authorized by, or supervised by Leonardo. The misgiving of the provenance of the work is presented in a catalogue for an exhibition presently running at the Prado. This exhibition focuses on the nature of the works and the copies and executed in Leonardo's workshop during his lifetime and authorized by him. Leonardo experts differ. Some see the work as an original, with its use of pentimenti, sfumato, and detailed hands. Others suggest that it may not be the work of the Master, it is badly restored and that parts of the painting are overpainted and of uncharacteristic poor quality. It is relevant for the value that there are at least 30 copies and variations of the painting executed by Leonardo's pupils.

The painting depicting Christ, in Renaissance dress as savior of the world making the sign of the cross with his right hand raised in benediction and the other hand holding a diaphanous sphere, was painted around 1500 for French King Louis XII, shortly after he conquered the Duchy of Milan and controlled Genoa. Its history is a tangled story, with questions about provenance, and secret restorations. It was brought to England, belonged to Charles I and stayed in the Royal collection for a time, and then was missing for a couple of centuries. The downgrading is explained by the fact that there were times when Leonardo found it difficult to paint due to his perfectionism and his many other occupations, and his pupils and assistants carried out the task.

The painting which has divided the art world was initially bought at an auction by Sotheby's for \$57 in New Orleans. Then it was bought in 2005 by two New York art dealers Robert Simon, and Alexander Parrish at a regional auction in New Orleans in 2005, for only \$1,175 and restored. It was then authenticated by a panel of experts as a genuine long lost da Vinci and shown at the National Gallery in London in 2011. It

was then sold first to a Swiss billionaire and then to a Russian oligarch for \$127.5 million who hid it from the public. It was then sold at Christie's for 450 million on November 15, 2017. Its known owners have included the king of France, the king of Britain, New York art dealers, Swiss millionaire, Russian oligarch, Saudi royalty,

Leonardo's motto was *saper vedere*, knowing how to see. The President of France is aware of this. *Sacre bleu*. Symbolically the colors of the French flag illustrate the mottos of the Revolution; liberty, blue, equality white, fraternity red. The tricolor was designed by Jacques-Louis David and was officially adopted as the national flag in 1794. President Emmanuel Macron changed the color of the French *tricolor* in the flags flying around the presidential Elysée Palace. He darkened the blue in the flags, to bring back the navy-blue color it had when the flag became a symbol of the Revolution. France had introduced a lighter shade of blue in the 1970s, when then president Valéry Giscard d'Estaing, for aesthetic reasons, wanted to avoid a clash of blues with the EU flag, the Marian Blue, the official color for the Virgin Mary in the fifth century because the French and the EU flags flew next to each other in many locations.

The question is raised whether Macron's color change can be interpreted as an anti-EU gesture, but the "blue war" is not occurring. It can be viewed as a manifestation of French nationalism, implicitly referring to the historic past: the Volunteers in 1791 who defended the country from the Prussian-led coalition; the *poilus*, French soldiers of 1914; and Companions of Liberation in World War II.