



Art Market in Russia: An Analysis of the Art Market in Moscow

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Abstract

Art markets contain issues such as income inequality, dearth of transparency related to the work, challenges for budding artists to establish themselves, and others. Following the pivot in the geopolitical climate on 24th February 2022 with the Russian annexation of Ukraine, these problems have been accentuated. In addition to such issues, Russian artists have been facing problems related to selling their work, networking, and other activities that are increasingly making it difficult for artists to subsist. Using a qualitative approach involving in-depth 15 semi-structured interviews, this study critically explores the experiences of art curators, educators, artists, art exhibition assistants to understand how artists within Moscow operate, produce art, and make a revenue in an isolated landscape (especially considering that it is an infant market and the essential structures are not cemented). In order to get a comprehensive understanding, the study begins with an inquiry into the initial conditions under which artists operated in Russia. The results indicate that contrary to popular perception, the ban on social media did not have a significant impact on the market as it never was a professional means of advertisement in the first place. The real issue lies in the structural support for artists, a problem that was exacerbated following the stigmatization of Russian art in art fests. The findings of the study suggest that it is imperative to explore the supporting structures enjoyed by individual artists from different national and international initiatives.

Keywords: *Art; Sanction; Politics; Russian Art; Russian Art History*

1. Introduction

The Russian art market has historically been a medium for intricate artworks, poetry and other forms of art, but it also witnesses and absorbs Russia through a cultural, philosophical, political, and social lens. The evolution of Russian art captures the transformation of the state through a multitude of lenses, which is particularly the reason why the learnings behind Russian art and the market itself becomes imperative when discussing the state's history.

The Russian art market in general, and its works of art have been subjected to turmoil since the post Avant-Garde period. Following the First World War, in 1917, approximately 900,000 to 2 million Russian fled after the fall of the Tzar, including legendary artists like Sergei Konenkov. Another critical

incident occurred in 1922, when Lenin expelled 200 intellectual elites such as philosophers, scientists, academics and artists. In the 1920s, there were plenty of artistic organisations such as New Siberia, Circle of Painters, The society of Moscow Artists (OMKh), October and dozens of others in place, however all of these were banned under the rule of Joseph Stalin, who instead established a single organisation named "Union of Artists" as the official authority for art. Broadly, the state passed a message that there could only be one pathway for any creative form to be legally recognised in the union - if they followed the state narrative of Socialist Realism.

Under the union, all artworks were monitored, filtered and restricted. Artists under the union glorified the state and focused on the prosperity of Stalin and his rule. The creation of the Lianozovo Group following the post-war conditions in 1966 allowed an entire group of artists like Oscar Rabin, Vladimir Nemukhin, Lidia Masterkova and poets like Ignore Kholin and Yan Santunovsky to express themselves freely away from the filter of the state. Rabin had gathered a group of like-minded artists to meet in his apartment in this village which marked the creation of this informal art group. In 1974 Oscar Rabin exhibited in the countryside in open land with paintings scattered on the floor. The authorities noticed this and seized the paintings, which led to strong outrage by the western media leading to the provision of official halls like the one on Malaya Gruzinskaya Street for underground artists.

The mass emigration of artists in the 1980s during the post-Soviet art gave rise to a lot of new faces but was soon overpowered by the actionism in the 1990s. There have been upturns in the Russian art market with the surprising rise in sales during 2004-2008. A total of \$600 million in both 2007 and 2008 was generated, however, the 2008 economic recession had a startling impact with sales dropping up to 58% from 2008 and 2009. Whether it be through the redefining Bolshevik revolution, the boom in sales of Russian artwork during the 2008 crisis, or the modern-day western sanctions, the Russian art market has had a long journey that artists have continued to adapt and operate under.

The sanction on Russia essentially entails the EU, the UK, the US as well as Switzerland prohibiting the sales of Russian and Belarusian art. Following the sanction declared on 24 February 2022, the biggest sanctions till date for the contemporary art market, the impact was targeted towards individuals on a list. This sanction impacted only key buyers who were affiliated or were in direct contact with the government body, but did not impact every transaction from the country outwards. This changed on 11th March 2023 with the Luxury goods ban. In the USA, it was introduced on March 11th this year, and it was followed later on in the same month by the EU and Switzerland, and in April by the UK. With the introduction of this ban, galleries, sellers and auction houses were required to scan and monitor every single transaction with a Russian client to see whether the client is actually based in Russia or if the property is being shipped to Russia. If links of Russian affiliations were detected, then the body selling the artwork was prohibited to sell or ship the work of art. The ban was also relevant for anyone merely related to Russia. In the UK, the legislation expanded the ban making luxury goods available for any sanctioned individuals to prohibit the trade with any person connected to Russia.

Other than the recent ban on artworks, the repercussion of this policy extended to music as well, where artists such as Valery Gergiev, who was the chief conductor of the Rotterdam Philharmonic Orchestra and of the Munich Philharmonic, were dismissed from Munich Philharmonic as a consequence of negating the pressure to criticise the political tensions in 2022. In principle, there are loopholes associated with classifying individuals as "connected to Russia", as it includes factors such as taxation, place of birth of the person purchasing the art as well as place of birth of their parents, passport, residency, etc.

Keeping this history and the recent changes in mind, this research paper aims to offer a qualitative analysis of the wires behind the art market in Russia and its present functioning under the luxury goods ban and sanctions, to understand how the young and old artists in Russia are negotiating under the new regime. This paper also aims to delve into the intricacies of the Russian art market, examining its historical trajectory, current state, and future prospects. Given the widespread ambiguity

and speculation regarding the details of the ban, this paper will attempt to understand how artists negotiate and strategize to continue to remain economically viable. It is imperative to understand how local artists are adapting to the current scenario especially considering that art is a critical component of Russian culture and history.

2. Evolution of Art in Russia

The Russian Avant-garde began in 1910 with the Jack of diamonds exhibition. Famous artists, like Robert Falk, Vasil Rozdestvessky, Alexander Kupin amongst others, were part of this exhibition. Through this new era of avant-garde art, works made room for provocative, brutal, bright and eclectic details, which was quite contrary to art that had been seen in the Art-Nouveau era. The debate surrounding art transformed from “is beautiful?” to “is it art?”. The avant Gard era had a lot of branches such as futurism, suprematism, cubism, rayonism and a multitude of others.

Futurism, which began in 1914, consisted of a revolutionary form of art such as a poem that is an empty page or black books, or pure geometry that strips the image off of its details, and only focuses on the geometric shapes. One of the most famous paintings is by Kazimir Malevich, who painted the black suprematist square entitled “The Black Square”. This revolution in art also paved the way for the introduction of newer art forms like Cubism, Suprematism, Primitivism, Alogism, and others which were followed by the Bolshevik revolution in 1917.

The evolution of Russian art in the past 150 years can be broadly categorised in two sections: The Soviet Era (1917-1991), and the Post-Soviet Era (1991-present). The Soviet Era can be further segregated into two other branches: Official art and Underground movements. Official Art was approved by the state and portrayed the country as treasuring a ‘ideal’ environment due to the government’s noble intentions, with emphasis on heroic figures from the military. The primary reason for this centering of idols was to reinforce motivation in order for individuals to work selflessly, as the figures illustrated individuals who embodied dedication, sacrifice and patriotism for the state. Most argue that this section was intended to indoctrinate subliminal messages about unconditional support for the country, and amalgamating the government and the country as one. This theory may explain the portrayals of strength and courage in men who were working for the state - sending messages of patriotism and virtue in endeavouring to help the state prosper.

The formation of a new state introduced new groups of artists: Constructivists, who argued that art should be independent of any philosophy. Many of these artists later became designers and architects, and made posters, furniture and most importantly buildings. Association of Artists of Revolutionary Russia, who reinforced the Avant-garde and portrayed the revolution and new state in vivid details, rather than peculiar styles like shapes, the Society of Easel-Painters, who illustrated a lofty idea of the new state, filling their pieces with an image of optimism about the new state and portraying individuals who work for the state as energetic and strong, were examples of this new wave in the history of Art in Soviet Russia.

In the 1920s, there were plenty of Avant-garde artist groups; prominent groups included the OBMOKHU (Society of Young Artists), UNOvis (Artists' Union of New Directions), Sevodnya (Today), Detgiz (State Publishing House for Children's Literature), Associations focused on specific art forms who amalgamated artists working in particular mediums: MHK (Moscow Society of Painters) INHUK (Institute of Artistic Culture), Zorved (Artists of the Vanguard). Other organisations such as Wing, Society of Easel-Painters, Four Arts were also established art groups. In 1932, however, government intervened and prohibited all Russian art groups and the “Union of Artist” was the only officially recognised art union. The Union of Artist had dwindled the art mediums and styles that can be used: the only expression of art used from 1935 was Social Realism. Artworks such as “Soviet Athletics” by Alexander Samakhvalov showcased a classic Social Realism piece and its subliminal messages. Although

Social Realism is intended to highlight social and political issues, the Soviet Social Realism portrayed the new state as Utopian and abundant. All other forms of art are made underground – which continued until Joseph Stalin's death on March 5, 1953.

Stalin was succeeded by Nikita Khrushchev as First Secretary Soviet leader from 1955 to 1962. Unofficial art in the USSR began to surge into the limelight through private apartment exhibitions. Apartment exhibitions were performed without the knowledge or approval of the state, beginning in the early 1960s and served as a medium for unrecognised artists to showcase works outside of Social Realism. This section of Russian art history proves itself to be relevant considering the sanctions were not the first time Russian artists were marginalised. Surprisingly Western art began to emerge in museums in Moscow: artists such as Pablo Picasso and Vincent van Gogh featured their pieces in museums such as The Pushkin Museum of Fine Arts in Moscow and The State Tretyakov Gallery also in Moscow.

Lianozovo served as an important location for groups like Constructivists and artists such as Oscar Rabin, Lev Kropinivsky, Evgeny Kropinivsky, amongst others. The Lianozovo art movement rejected Social Realism completely, and served as a medium for underground artists to showcase their suppressed form or style of art. Oscar Rabin and Vladimir Nemukhin were two most well-known artists from this movement. One can note Oscar Rabin's contributions in contemporary art, as his art serves as an inspiration to today's non-conformist artists. Rabin's work conveys a striking visual language involving an abstract expressionist style that implies messages of social/political commentary, as well as an intrinsic desire for personal autonomy in the current state.

The current principle issue centering the art market in Russia has been rooted in the fact that the market is at its foundation stage. The contemporary Russian art market is an infant market, and only began to emerge in the late 1990s following the collapse of the Soviet Union when artists were at liberty to create artworks independent of heavy censorship. It is well noted that any market, especially in case of art, demands a plethora of support structures as well as safety nets to ensure that the market does not collapse once an economic downturn occurs. Emerging artists should have stepping stones in order to establish themselves and continue making art with a stable monetary return to their talent. Against this context, this study conducts a qualitative research to explore and understand the strategies and means through which Russian artists operate, especially given the recent sanctions on the sale of art. The imposition of Western sanctions on Russia following its invasion of Ukraine in 2022 has exacerbated Russia's art market's conditions. This analysis examines the multifaceted effects of these sanctions on Russian artists, galleries, collectors, and the broader cultural landscape.

3. Materials and Methods (SIZE 12 & BOLD)

Using a qualitative approach, involving the use of semi-structured questionnaires and in-depth interviews with Russian art veterans, curators, exhibitionists and younger artist, this paper attempted to explore the rules, conditions and strategies adopted by Russian artists in the present market. Using a snowball sampling method, a total of 15 respondents were interviewed for this study. The respondents of the study were Russian citizens living in Russia and abroad and were aged between 17-65 While half of them were full-time artists, the rest of the sample included respondents who also had other work arrangement, either as academicians, art teachers, content creators, among others to subsist. This arrangement itself was a strong indicator of the lack of economic stability among artists in Russia.

Since the artists were primarily Russians, the services of a local translator were used who helped in the collection and analysis of the data. The questions asked for the study included: What are some problems you encountered while selling art? Are there any support structures in Russia and does it come from a state? Do artists have a collective network that you can benefit from, no names needed? How are Russian artists adapting to sanctions to operate under western sanctions? How has the ban of social media impacted marketing of art and where has the demand for apps like this shifted to?

The findings of this study were initially transliterated and then translated from Russian to English, following which using thematic analysis, the first set of codes were developed for this study, each of which have been discussed in the following section as distinct themes for the analysis.

The respondents in this study were assured of confidentiality and anonymity regarding their responses. Before participating, they were fully informed about the study's purpose and motivations, and their consent was obtained.

4. Analysis

4.1. Ban of Social Media

In popular opinion, the ban of social media is expected to create turbulence in the art market. Contrary to this notion, most respondents argued that the ban of social media was not a significant factor in the alteration of the market. This is due to many reasons - the primary reason being the fact that social media was never a key avenue for Russian artists to advertise their art in the first place. Social media was only used by a younger demographic, or unprofessional artists that established artists do not cater to when selling or advertising their work. As some respondents argued,

"Instagram was not a good support structure to begin with... support only comes through galleries ...online art is dichotomous from real art".

"If you want to show art you can do it through a VPN",

Respondents further explain that most internet users have been bypassing the restrictions through the use of a VPN to access applications like Youtube, Instagram, and Facebook. They add that Facebook is an excellent platform for art dealers, however, only for networking and not selling. In this scenario, artists can still network on these platforms.

"Tiktok has an audience of teenagers, not buyers",

From their responses, it became evident that respondents conceive the art market's a traditional form of a market, and with the turbulent introduction of social media, it was only assumed that established artists and curators would not be using such platforms as it is not attractive to art sellers.

In contrast to the majority of respondents, a couple of artists presented a slightly different outlook to social media's role. This person claims that the ban is

"On a government level, contemporary art is most often considered to be something weird, strange.... then you know not many people are willing to write about it"

Which is where the role of social media plays in, because through these applications, artists that are stigmatised get a chance to show their work which they can expect support from their followers on social media. Due to the lack of strong structural support, emerging artists were given a chance to be recognised with the title of an "Insta Artist", who then became known to a point that galleries noticed them. These artists may utilise a VPN. A VPN, the respondent adds, is

"not as convenient anymore, because it now works more slowly."

The ban of social media has therefore not had a significant impact on the market as a whole. One of our respondents argues that it did not have an impact on audiences that were using social media to seek art, as most individuals use VPNs and other avenues to access applications like Instagram and Facebook. Facebook, one of the respondents argues, was only used for artists to know each other or form communities. They also argue that magazines and other banned platforms had a lasting impact as compared to social media. Other applications such as VK, Telegram (channels) are more commonly used

if an artist chooses to still use social media, however they are regarded as less efficient than other streams of advertisement due to the limited number of people that they cater to.

4.2. Shifts in Artistic Practises and Domestic Market Contraction

Some Russian artists responded to the sanctions by altering their artistic practices: some focused on creating works that were more overtly political or critical of the government, while others sought to distance themselves from the geopolitical tensions. The domestic Russian art market also experienced a downturn. With reduced disposable income and uncertainty about the future, many Russian collectors became more cautious in their purchases. This led to a decrease in demand for both established and emerging Russian artists.

Most artists, two respondents add, have been obliged to choose between the west and Russia, and as a consequence, talent has fled the country to continue producing their work in the magnitude they desire to. They added that the art market is much smaller than before as,

"This situation has led to more complications in shipment, logistics"

This exacerbated the state of the originally infant market. Considering the lack of support structures for artists and how cautioned investing firms are, the hardships faced by artist to deliver works makes it all the more difficult to emerge as an artist. One of the respondents, , an artist enumerated how she lost all her clients due to the sanctions, and was forced to pivot from selling art to delivering art classes, she further added that over a hundred other artists had to pursue a similar shift the focus of their art in order to sustain in the market.

Further, the sanctions they argue have inadvertently fostered a more introspective and socially conscious art scene within Russia. With the state not completely recognizing contemporary art as legitimate art, some artists altered the subject of their art as more neutral to have domestic support structures recognize their work. The lack of domestic and international support for Russian artists was argued to have isolated those who remained in the country, and as a result, many faced adversities financially and artistically.

4.3. Increased Reliance on Domestic Institutions

As a contrast to the above findings, some respondents argued that artists did not have to adapt to the changes because within his network and knowledge, the Russian art is mostly attractive to domestic buyers. A respondent state that,

"The problem was never the sanctions; the problem was the state"

These respondents explained that as international opportunities dwindled, Russian artists and galleries became more reliant on domestic institutions, such as museums and foundations. These organisations played a crucial role in providing exhibition spaces, financial support, and critical recognition for Russian artists. However, the Russian art market only began establishing themselves in the 1990s completely; without heavy censoring or a need for union of artists. This means the Russian art market, in their opinion, requires a lot of support for it to rise like markets in the west, which would involve state support, which artists are completely stripped off of if they are not producing artwork that aligns with the state's view. These respondents also argue that it is much simpler for artists to establish themselves in Russia from scratch than it is in the west, as there is less competition. Russian art is also more attractive to local Russians themselves, rather than international avenues.

Two of the respondents argue that when it comes to participating in the local market, it's a question of how many people would show support for art, as the art market is much smaller compared to other international markets. Irina agrees with this and adds that the market has:

"Very little capacity with not so many collectors who want to buy" the art.

This isolation from the international world leaves Russian artists to rely on the state, which all respondents agree is not available equitably. A respondent adds that:

"Artists do not have many rights, contracts, straight, or structures".

Some respondents argue that support structures like a reduction in tax, accommodation help, or discounts on art studios would be of great help for surviving artists. Before the invasion, artists had significantly fewer problems as institutions such as GAS-2, Garage, and other firms provided a range of benefits like studios and other amenities for deserving artists. As of now, the artists support themselves through renting studios together to aid the reduction in costs.

In terms of domestic applications, there are two key applications that position themselves as a replacement for the ones that are banned: Telegram, and VK. Respondent suggests that

"The difference between Facebook and VK is that Facebook is definitely for people that are more internationally integrated and with more progressive views. VK is more for audiences with a different social background".

Another respondent suggests:

"Telegram is effective at the moment, but I don't it works in the same way as a Facebook page"

Since social media was not a prevalent form, magazines, fairs and events became the main avenue to network. The sanctions also led to the discontinuation/significant decline of Russian art in art fests like BIENNALE, one of the respondents argues. BIENNALE was a fest that happens in different international locations, and if artists get the opportunity to be featured, it was considered to be a significant career boost.

The sanctions imposed on Russia have had a profound impact on the country's art market. While they have presented significant challenges for Russian artists and galleries, they have also forced the sector to adapt and innovate. The long-term consequences of these sanctions remain to be seen, but it is clear that they have fundamentally altered the landscape of Russian art.

5. Discussion

The existing literature acknowledges the importance of the Luxury goods ban, which enhanced the impact of the sanctions as a whole. Many experts have stated that the sanctions.

In the short run, it is clear from the responses of the candidates who were interviewed as well as existing literature that the Russian art market operated as a traditional market from the 1990s, 2000s, and early 2010: the emergence of social media applications has only disrupted this structure of operation. In terms of marketing, that is a discussion the artists and galleries have with one another. Social media, even in terms of advertisements, does not have a key role to play. In order for artists to market their work, one can use the example of when the market was emerging to illustrate how artists market their work. Artists would extend an offer to galleries to feature their work, and if accepted, the artists' followers would acknowledge the gallery and the gallery would support the artists through the collectors, curators, and critics they are connected to.

Emerging artists could approach the newer galleries that were emerging in the 1960s and 1970s which then involved a process of growing mutually as the gallery and artists began emerging together. Another method for artists to advertise their work was fairs and competitions, as discussed previously. The final manner to which artists could showcase their work was through review journals, critics, and magazines. This format continues to persist through the 21st century, before the artists who were not aware of this format and its rules started to rise to fame. The gap in understanding of the mechanisms in

the art landscape caused disputes between traditional galleries and the “Insta Artists”. The sanctions ultimately resulted in the favour of the market as a whole in the short run as Russian art was mostly attractive to the domestic palate regardless.

In the long run, however, it becomes difficult to establish how artists will continue to persist despite the adverse conditions of the market. As discussed previously, due to the lack of support structures in the market, exceptional talent will not be nurtured as they should be, especially considering the dearth of opportunities. This has been seen before with the introduction of the sanctions wherein talent was pressured to pick between the West and Russia. This exchange on artists is unethical and impractical for the long run. Emergence of China and UAE as trade partners becomes relevant when discussing the potential of Russian art in the long run. Both countries share trade with Russia, which makes it convenient for art to be exchanged in these markets.

Conclusion

After a careful consideration of all the points above, it is clear that Russian art encapsulates an abundance of information about the culture and perspective on the culture. The Russian art market and artists have consistently been subjected to restrictions on portrayals and on the liberty of what they are able to showcase in their artwork. The initial intention of this paper was to investigate what the immediate impact was on the Russian art market and this includes artists, art educators, buyers, sellers, exhibition managers, galleries and the economy as a whole. The notion that the Russian art market was heavily dependent on the International trade of art and on social media applications were discussed in this paper. The idea of the Russian art market having been an infant market and the role structural support has to play in the establishment of a market is found to be extremely essential, outweighing the impact on sanctions even before they began.

The limitations of this study include the fact that there were only 15 respondents and the respondents were predominantly from Moscow. Perhaps, investigating the ecosystem of art in cities like Saint Petersburg would provide a wider perspective to the landscape of art outside of the capital. Nevertheless, the key findings of this research paper is the fact that the Russian art market is in desperate need for a support system considering how new the market is. The key findings of this research paper include the fact that the artists have adapted to this adverse ecosystem and maintained the production of their art work. A reduction in tax for artworks or subsidies on studios for artists have been the two most anticipated methods of supporting contemporary artists: if not by the state, then by private enterprise or a non-profit enterprise that supports these organisations. Artists currently who were dependent on international trade for profits have pivoted to other forms of encouraging art such as education, however, this in some scenarios fails to prove itself as a plausible alternative as in most cases it is not as lucrative as one would expect. Private firms are reluctant to invest as they are risk-averse and there are little to no firms that provide support to local artists. Galleries seek established artists or artists that are aware of the landscape of art.

The implications of this study is to encourage the idea of non-profits or other risk-taking organisations to invest in artists and talent. It is essential to establish a support structure domestically that benefits both parties of the art market. Artists encounter great difficulty when seeking funds, and private firms are reluctant to invest given the current ecosystem of art where there are limited interactions with the rest of the world. In the short run, the impact of sanctions, generally, has ironed out the market to conform to its traditional mode of operation which is relying heavily on domestic resources. Russia mostly relied on itself in terms of art due to the idea that the market was not given enough time to interact with the international market.

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