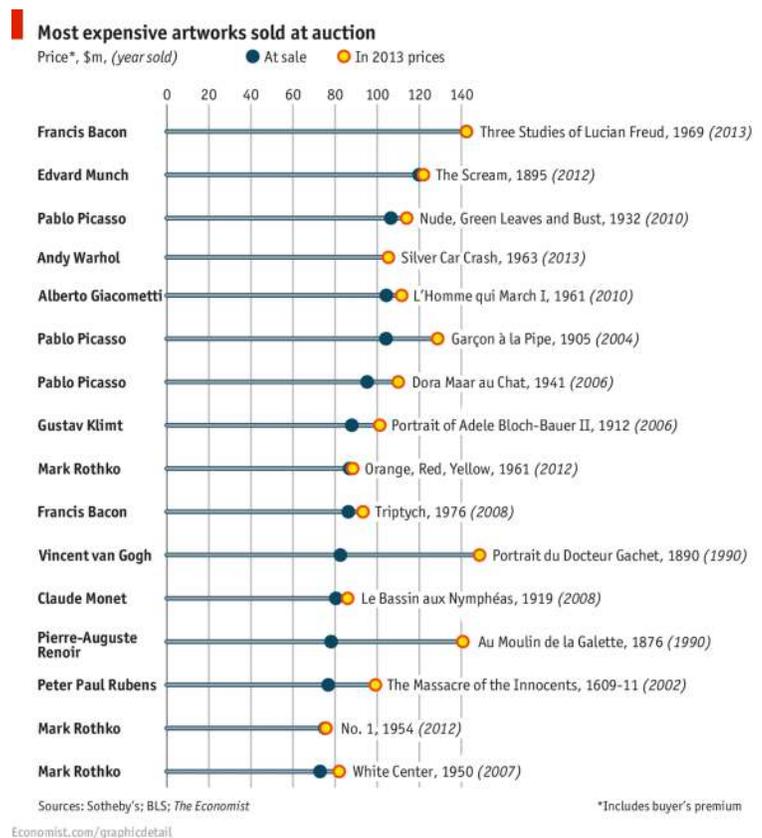


A triptych from Francis Bacon (British 1909-92) sold for 142 million. Really? Why?

When we see a Francis Bacon (British 1909-1992) fetching the highest price ever achieved for an artwork at auction it raises this question: Why is a relatively new artist, still unknown to many, selling for such an all-time record high? Is he better than Leonardo, Dürer, Rembrandt, Velazquez, Goya or Picasso? Is he better than William Turner – possibly Britain’s greatest artist? Is he better than any of his contemporaries such as Richter even Rothko? Is he more rare to find than the last mentioned. My answer is “no” on all counts. Bacon is just popular among the collectors of contemporary trophies and this work happens to be one great example of his oeuvre.

You see, if we annualize the price paid for 1890’s portrait of *Docteur Gachet*, by Van Gogh sold in 1990 and bring it to 2013 prices, Dr. Gachet is still the most expensive artwork ever sold. Still, that doesn’t mean much. Records are meant to be broken and will soon be broken and by my projections it will be by another 20th century artist. And they will continue to do so constantly. Just look at the graph below and you will see that 7 out of the 16 examples were sold after 2010. The wealth is there and the appetite too. With the largest economies in the world at almost zero interest rates, financial uncertainty continues. Time to spend some more? Art stands as a real and tangible asset class, and is becoming an investment alternative because it is not correlated to other financial markets, currency fluctuations or inflation and allows widespread portfolio diversification. Just beware, it sounds like Japan in the early 90’s. It took Impressionist art way more than a decade to recover.





And here is the important question: Why 20th Century art? It is not because the art is better, the judge of "great" and "not so great" art is time itself. The institutional world and the general public at the very end will be the ultimate judges. I unequivocally have learned over the years that there are many currents and many markets, all legitimate, and taste and trend varies from culture to culture, from generation to generation. It seems a lot more fun to display at home contemporary conceptual but yet eloquent and provocative works, than a boring narrative painting of a half naked lady on an artist's studio. Moreover, collecting contemporary requires a lot less knowledge, as almost anyone without credentials (dealer, gallery or advisor) can fill up your ears with a bunch of redundant adjectives decorating the Bacon. Furthermore you do not need to dig into, investigate as much or even know about art history, as you would unequivocally need to do with an old master. Matters such provenance, exhibitions and literatures are not as important. I can compare it with buying a new Bugatti or a Vintage.

I still would never advise to buy art trophies, you will incur in an average 30% commission charged to your ego or testosterone rush if you wish. That is exactly the loss you will incur if you try to sell the Bacon tomorrow.

Javier Lumbreras