

Just what is surplus value or *Mehrwert* when we talk about art and culture? Changing material conditions, market dynamics and cultural ideals are reshaping how this question may be answered today. Drawing on fresh readings of Marxist and postmodern thought, renowned German cultural critic Diedrich Diederichsen considers the current "crisis of valuation in the arts."

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"Where is the *Mehrwert*?" – in English: the "payoff" – asks the person on the street.¹ What he has in mind is not Karl Marx's concept of "surplus value" (which is how *Mehrwert* is directly translated from the German), but an extra value, an added or additional value, or a bonus, to use a word that means the same thing in most languages. If in everyday parlance, *Mehrwert* is an additional value that can be realized in return for a special effort or in connection with an exceptional situation, for Marx, by contrast, *Mehrwert* is the daily bread and butter of the capitalist economy. That economy *must* constantly generate *Mehrwert*. The tendency to increase is a natural attribute of value. Indeed, it is based on the exploitation of labor power, and the fact that it appears to come about naturally is precisely its greatest trick. A bonus, by contrast, is accorded the status of an exception. And it is precisely such a "bonus" that is being demanded when people ask where the *Mehrwert* is, especially when they are speaking of "artistic *Mehrwert*", which will be the focus of this essay.

Artistic *Mehrwert* tends to come up when there is a desire to justify a special effort made or expense incurred by an artist, or in the course of the production of an artwork. Or when it is a matter of weighing whether or not a certain subject or approach lends itself to artistic treatment: is there an added value involved in treating it artistically, or would it be better served by a journalistic report? This expression is not just used by critical or skeptical recipients and consumers. It is also quite common in the discussions of panels and juries whose job it is to evaluate artistic projects, whether these be for art schools, funding bodies or professional prizes. For the most part, however, the issue of artistic *Mehrwert* is raised when subjects are watching over their outflows and inflows of attention, and wondering whether or not it is worth their trouble to undertake a process of reception that is time-consuming or bound up with other inconveniences. One tends to hear that *it would* be worth the trouble, provided there is an artistic *Mehr-*

1 Translators' Note: The author's argument makes use of the fact that, in German, the word *Mehrwert* means two different things, depending on whether it is being used in everyday conversation or as a technical term of Marxist economics. In everyday conversation, it is more or less equivalent to the English "payoff" or the more recent and

business-oriented "value-added". In Marxist economics, it is the original German term for "surplus value". There is no single English word that captures both of these meanings. I have therefore chosen to leave it in German while glossing its various occurrences just enough to permit the reader to follow the argument.

wert, or payoff. Thus, when art and its enjoyment are at issue, artistic *Mehrwert* is not just a bonus in the sense of “What extra do I get?”, but a *conditio sine qua non*. In this view, art is a phenomenon that plays out entirely – from beginning to end – in the “bonus realm” and hence must *always* generate *Mehrwert*, just like capitalism and capitalists.

Yet the world of art production concerns a particular kind of *Mehrwert*. Both the capitalist and the artistic variety help to maintain a process that, like breathing and circulation, must continue uninterrupted in order for the organism to survive and they therefore feel equally *natural*. But under Marx’s conception of capitalism, *Mehrwert*, as “surplus value”, is also subject to the law of value in general, which determines all activity under capitalist conditions and both rationalizes and occults the phenomenon of exchange between human beings. “Value, therefore, does not have its description branded on its forehead; it rather transforms every product of labor into a social hieroglyphic.”²

By “hieroglyphic”, Marx means not simply a sign but above all a sign that is not immediately decipherable. Value is determined by the average amount of labor that is socially necessary to produce a given product; it is informed by the countless acts of individual (living) labor performed by individual workers. Thus doubly transformed – first, abstracted from individual labor into social labor, and second, concretized as the particular commodity or product – this hieroglyphic speaks of something, but it is impossible to tell by looking at it *what* it is speaking of.

If we nonetheless feel that it makes sense to function under this general law, which seems both natural and puzzling, and to participate in the process of increasing value, that is because there are religions, world views, and ideologies, that continue to offer apparently sensible explanations for life under the law of value. In the case of art, however, the legendary artistic *Mehrwert*, is not – or at least does not seem to be – created under the sway of any globally dominant law. Instead,

² Karl Marx, *Capital: A Critique of Political Economy*, trans. Ben Fowkes (Hammonds-
worth, Middlesex, England: Penguin Books, 1986 [1976]), 1:167.

it refers to the temporary or exceptional suspension of laws. This suspension is connected, first of all, with the exceptional status of art in bourgeois society: its autonomy. Secondly, because art is regarded as an ally of desire, it is accepted as one of those forces that refuse to fall in line with the imposed, coerced consistency of life. Thirdly, it is also demanded of art that it, unlike the rest of life, be particularly full of meaning. True, it is supposed to be as bewildering and chaotic as life and the world themselves, with their landscapes and vicissitudes, but ultimately it deals with the fact that – and the way that – all this is intended. Art clings to society or life or other systems suspected of being meaningless and contingent, and then in the end, it suddenly comes up with an originator who is responsible for the whole mess. That is sufficient consolation for even the harshest poetry of hopelessness and negation: the fact that there is someone who wrote it down.

There are other justifications for artistic *Mehrwert*, but there is no need to elaborate them here. Autonomy, desire and authorship – these are not only the most common and most symptomatic; they also reveal the important feature that all three have in common with those not mentioned: they correspond, as legitimating discourses, to the great rationales for art’s exceptionalism. Thus, the colloquial use of the word *Mehrwert* that I cited at the beginning of this essay refers to the fact that art is “good for something” and therefore has a use; it is legitimate and must exist, despite the fact that its meaning lies precisely in not being useful. The fact that the word *Mehrwert* is used to describe this is not as idiotically utilitarian and instrumentalistic as it might seem. Already in Marx, *Mehrwert* is a figure of meaninglessness. It keeps something going whose constituent parts (labor, the production and distribution of products, exchange) would already be justified in themselves (and only in and of themselves) and therefore have no need for further legitimation or additional constituent parts. *Mehrwert* is meaningless and can only be legitimated by pointing to the fact that without it, the entire capitalist machine would grind to a halt. While art is not meaningless but much too meaningful (since it is always associated

with intent), it too requires additional explanations. To describe a lack, say, not by describing what is lacking but by describing an analogous lack, definitely corresponds to a certain rhetorical figure, but at the moment its name escapes me.

Imagine a situation in which someone is telling a joke that makes fun of people with a certain kind of disability. The disability in question prevents one from articulating properly; it causes one to lisp. The punch line must be delivered by simulating the speech impediment, with a frustrated: "You think that-th funny?" In this case, however, the person who is telling the joke at a party notices that an acquaintance with a lisp has entered the kitchen where everyone stands listening. He frantically tries to come up with an alternative punch line, another way to end the joke, and keeps inventing new strands of the basic storyline to gain time. As he does so, the joke becomes increasingly dull and incoherent, and he loses more and more of his audience, until finally the acquaintance who lisps becomes exasperated and shouts out from the audience, "You think that-th funny?" This story mirrors the trivial interplay between art's legitimating discourses – evoking the theoretical effort that is expended on their behalf – and an audience that, simply (and stupidly), asks what makes something art, asks what its "punch line" is.

The fact that the public identifies legitimacy with punch lines and proudly and pretentiously demands them as *Mehrwert* is something it has learned. Cultural policymakers, whose job it is to make what is not useful useful (which is currently all the rage and takes no great effort), are by definition unable to think any differently. A coalition of the vulgar avantgarde, museum educators and witty artists has brought into the world the idea (which is not entirely new) that, since Duchamp, the goal of art has been to deliver a punch line, that one crucial maneuver, that little extra inspiration. This "extra inspiration" is made up of a number of different elements. First, it involves the communicative strategies of advertising, for which it is important that a brand, a product, and a campaign be organized around a single, identifiable, but surprising "claim," as it is termed in the industry. It also involves the conceit – itself

a result of modern art's need for legitimation – that every work must create its own justification, indeed that it must at one and the same time be both a genre and the single existing instance of that genre. This requirement is a product of the anti-conventional postulates of the avantgarde and neo-avantgarde, and in a sense it is perfectly compatible with the extra inspiration, the claim, and the "show-stopper", since it avoids and is intent on avoiding anything that is dictated in advance.

Advertising seeks to eliminate all pre-existing assumptions from the act of communication. It does so in the interest of reaching as many consumers as possible. For entirely different reasons, the art world sustains a coalition between, on the one hand, a justified avantgardistic attack on conventions and on all rules deriving from materials or from craft and its traditions and, on the other hand, the interest of certain collectors and institutions in the absence of prior assumptions and preconditions. These collectors and institutions are able to use an art thus purged of history as an ideal object for reinvestment, be it through cultural-political instrumentalization or through financial speculation. The relativization (to the point of insignificance) of the material art object has been conceived and postulated either politically (as a critique of institutions, a critique of the material conditions of art as a social institution) or in terms of the philosophy of art (positing the visual arts as the meta-art of all the arts, art as a language game, the logic of propositions). It now converges at the level of social symptoms (discourse types, attitudes, and fashions) with its intellectual-historical opposite: art's leveling out by speculators' and governments' interest in communication and theme park entertainment.

The common denominator in this ugly synthesis is the demand for punch lines and *Mehrwert*. And it is interesting to note that this demand finds a counterpart in the psychological attitude of certain artists. Their attitude has sought to counter this synthesis, and its taste for punch lines, in an individualistic and voluntaristic way. I have in mind the tendency of artists as different as Salvador Dalí and Martin Kippenberger – both of whom, however, were anything but wholly incompatible with the culture of punch lines, in their tendency to drag out and de-

lay or refuse to deliver them. In Dali's case, there is the often-repeated legend – which he himself was fond of embellishing – of how he loved to drag out and delay his physical pleasure. As a child, he found special gratification in dragging out the act of crapping to interminable lengths, while as a teenager he liked to have elaborate efforts made to delay his own orgasm. He had already recognized that his audience was primarily concerned with the product rather than the process, and not even the entire product but just the tiny remainder that makes it complete. That extra part ultimately makes up and justifies the entire exceptionalistic, signification-interrupting enterprise of art. For him, of course, the process – his life as an artist – was far more important than the product.

Martin Kippenberger, who was a legendary joke teller and party entertainer, also focused on the various ways of dragging out and delaying punch lines. He told endless, repetitive jokes, but he never let the listener forget that something was coming. All the same, that “something” either never came or did so in a purposely unsatisfying way. Kippenberger's speeches, which were invariably introduced with the words, “I am not one for fine speeches ...,” have numerous counterparts in his practical work. Unlike pure seriality, which still draws its power from the fact that it exhibits the principle of its production, Kippenberger preferred to work with narrative structures that are emphatically organized around the prospect of a culminating punch line or breakthrough that were nevertheless always withheld. Perhaps the best example of this principle is a work based on Matt Groening's comic figures Akbar and Jeff. All of the strips in this series (which is widely carried by American city listings magazines and media program guides) contain twenty-four or thirty-two panels, all of which are identical except for the last one; the story is told entirely through the dialogue. It is only in the final image that there is a visible change. Kippenberger appropriated strips from this series and altered them in minor ways, but he always left out the last image, so that the punch line never comes.

These individual and voluntaristic attacks on the problem of the punch line may be ranked somewhere on a scale between honorable and obsessive. They demonstrate how important and attentive artists have been aware of the problem on some level. Of course, the countermeasures themselves tend to assume the character of punch lines. And even in the case of works that are situated completely outside of this logic, the training of museum educators, the testimonies of juries and the briefings one receives on guided tours, all help to perpetuate its mechanism. So does the vast oral culture of the visual arts: Today, there are ever more students, collectors, and other denizens of the art world, and thanks to exhibitions, symposia, openings, and spectacles, they have ever more opportunities for conversations among larger and larger numbers of participants. The result is a corresponding increase in the number of art-related stories and of anecdotes about artworks and their ideas that circulate in non-written form. Thanks to the familiar norms of public conversation, these stories also tend to be directed towards punch lines. Indeed, the author of this essay freely admits that the terror of the anecdotal has helped him a lot when presenting his ideas in seminars and lectures at academic art institutions.

To be sure, this culture of artistic punch lines is fueled both by enlightenment, reflexivity, dialogicity, and oral culture as well as by advertising, reductionism, didacticism, and a compulsive desire to communicate – and is thus by no means clear and unambiguous. Yet, this is only one side of the talk about *Mehrwert*, of the slightly sullen demand for artistic *Mehrwert*. The discussion remains ambiguous in that it yokes together two different things: on the one hand, the conceptual accreditation of artistic movements that abstract from concrete objects and introduce the resulting abstractions into critical projects; on the other, the instrumentalization of these abstractions by an abbreviating culture of communication. It combines the expansion of discourse through concept formation and its reduction through slogans and punch lines into a sometimes indistinguishable principle for producing, but above all for receiving, art: here is the simultaneous success and disaster of the modernist project.

Opposed to the punch line fetishists, there is another coalition that is made up of no less a heterogeneous mix of dubious and to various degrees legitimate arguments and no less a heterogeneous collection of people and positions. This coalition defines artistic *Mehrwert* as that aspect of art which cannot be captured in words. These are people who already complained that the ideas contained in the paintings of Magritte could be formulated in language. On the one hand, this group sustains the justified call for a complex aesthetic experience that does not simply operate with key ideas and punch lines. But it also sustains a reactionary desire for total immersion and the regressive, pre-reflexive happiness that comes with being completely transported by the aesthetics of overwhelm. Depending on which of these elements we focus on, *Mehrwert* could either be understood to engage a type of complexity that cannot simply be taken in at a glance, the sense that there is more to be known, ultimately an inquisitive sense that something is lacking. Or else it could express the demand for an entirely "other world", a dreamlike quality undisturbed by discourse or reflection, such as has recently been offered by various forms of immersive art, as well as by the boosters of melancholy and cutification.

All sides of the coalition have a clear artistic criterion, which they call *Mehrwert*, but they each mean something very different by the term. However, they do remain united in a fear that there might be something being withheld from them, something to be known that hasn't yet been said, or that the party – which is also undoubtedly always on their minds – might be happening somewhere else.

Now it is certainly the case that a large part of the art industry may be described in this way, especially when the subjects and clients who populate it attempt to reach agreement about criteria, on the basis of which they are willing to expend their precious attention. Nevertheless, there are large portions of the inner circles (of the art world in particular) to whom this description does not apply. First of all, there are the people who live and work in art's inner spheres, who have always known their profession exactly, and who have no need

of special criteria to reach agreement about their roles. Indeed, professionals are people who experience their work as a specially delimited territory in which everything goes without saying and nothing needs to be justified. Secondly, these insiders deal with works, which they are able to recognize, without any special reflection, as belonging to their known working territory. A highly specific relationship may be said to exist between those works that are seen to require artistic legitimation – punch lines and *Mehrwert* – and those that are acknowledged as art in the everyday sense of the term, without further discussion. The latter are more numerous. Of course, all of the works of this type – the ones that require no justification – are actually indirectly justified by other works. They are, as it were, instances of a legitimation that has congealed and become unobtrusive. They are able to forgo external justifications and thus give off the heavy scent of immanence, in which the business of art is so fond of steeping. It is works of this kind that finance the everyday operations of the art industry. They circulate throughout the world, and images of them fill the catalogues and art magazines. Yet it is only works of the first type – those that are openly in need of legitimation – that keep the discourse alive.

The system that balances the various types of consumers and consumer demands for *Mehrwert*, must further distinguish among the various interests that work together to stabilize the art system. This becomes especially necessary when great economic successes make it seem as if there were no need to do so. Success is often enjoyed by those things that do not require special legitimation – things that stand on the shoulders of countless earlier, now obsolete legitimating discourses and on the resulting deposits of "discursive substrates", accruing like chalk on limestone. For example, German painting, which has enjoyed international success in recent years, has nothing whatsoever to do with the contemporary debates, nor with the punch lines to which those debates are often reduced. Instead, its products rest upon a tiered megalith, whose foundation is Max Ernst, with magical realism above him, topped by a bit of German neo-expressionism, *wilde Malerei* (Wild Painting),

hippie surrealism, GDR art, and finally the professional veneer of contemporary "finish." These are works that do not have to justify themselves by means of an idea or a surplus of immersion or intoxication. They are merely instances of a type of production that is generally and quite unspecifically recognizable as art. And despite everything that might be said against the art that must be justified and the mechanism by which it operates (or is forced to operate), the type of art beyond legitimation is, of course, something a great deal more boring. And much worse.

In sum, the type of art that generates speculative profits seems to rest on the shoulders of the type that was required to justify itself in cycles of artistic *Mehrwert* formation, and is now able to make itself comfortable within a deeply felt, even naturalized sense of legitimacy that has long since become trivial and false. Meanwhile, the art in need of justification and its justifying discourses supply the grist for the art world's mill, its conversation and its ideas. But beneath this lies the plump flesh of the art economy – the very old as new. In other words, it is not the case, as is often claimed, that artworks and artistic practices are forced to present themselves as new in order to be successful, or that practices of novelty formation are suspect because they are misused for the purpose of advancing careers and creating distinction in the market place. On the contrary, this kind of novelty only succeeds in launching discourses. And these in turn, procure certain advantages for those who launch them, but such advantages cannot be compared to the actual material flesh on the bones of artistic success. In order to form that, one must show up fresh like a debutante with something very familiar, and in that case the measure of one's success is precisely the fact that it generates no discourse, or else reduces existing discourse to silence. Neither Lichtenstein nor Twombly, neither the German nor the American "best sellers" of the moment, sparked much discourse when they were successful. Kippenberger and Basquiat had to die and literally "keep quiet" before they were able to command the high prices they do today. Thomas Scheibitz and Neo Rauch are swathed in absolute "radio silence" as far

as discourse is concerned. Nevertheless, the system has to go on producing its discourses and excitements, its punch lines and legitimating ideas, since otherwise the chalk upon whose Isle of Rügen today's top sellers are building would run out. Thus, *Mehrwert* as a punch line or experiential surplus is also indirectly important for the primary form of the commercial exploitation of art. The question now becomes: what kind of commodities are actually produced, and how do they become valuable?

II Art as Commodity

What kind of commodity is the "art" commodity, and how is it produced by human labor? Who profits from it and how? And is that profit *Mehrwert*, or surplus value? I would like to shift from considering the career of certain art as opposed to other art and look instead at the economic and, if you will, "value-theoretical" side of the production of contemporary art – at least the type that is shown in galleries and sold on the market. What does the "daily life" of this artistic production look like when considered in light of the now classical Marxist categories of labor, value and price? In this chapter, I want to show how the exceptionalist economy of art is based, to a certain degree, on a rather regular economy. It is as challenging as it is appropriate to try this by using Marxist categories.

Now, we must distinguish between two different processes: (1) *the everyday value* of the art commodity and its price and (2) the speculative price and its relationship to value; the latter being what people mostly think of when they speak of the art commodity. Of course, there is a sense in which the two cannot be separated. Everything that has an everyday value as a commodity can theoretically also become an object of speculation. But most of the transactions made with commodities in the realm of the visual arts do not (initially) involve speculation, so that they are more comparable with the regular economy of production and consumption, buying and selling. The two values come into being in different ways. Yet these different ways have a common connection to the issue of reproduction and uniqueness (3).

(1) The value of a product is calculated on the basis of the amount of labor that is socially necessary to produce it. At first glance, it would seem to be completely preposterous to apply this Marxist definition of value to artworks. For not only in the case of modern artworks, but already in the case of classical artworks that were produced for a market, the prices of two artworks on which the same amount of time was spent by those

who painted or sculpted them could differ enormously. But that is not the point. Price is not value; on the contrary, it is the false semblance of value. As the realization of value in a given act of exchange, it expresses the notion that, while the price depends on a wide range of different variables, the logic that governs the relationship between price and value is essentially sound, so that prices may be deemed reasonable or unreasonable.

One might object, however, that it is not just absurd to derive the *price* of art objects from the labor that is socially necessary to produce them; it is equally absurd to derive their *value* in this way. The amounts of individual labor required to produce artworks are simply too disparate. But, Marx speaks of an *average value*. True, one might respond, but in the case of modern art, this average is based on such divergent individual data that they do not pile up in the middle and fall off toward the edges, as in the case of classical averages, but probably yield just as many extremes in any direction as they do results in the middle. However, this extreme variation is only the case when one bases one's average exclusively on *current* prices and the labor time *currently* necessary for the production of a work. But this is already a flawed approach, not only with artists, but even when considering other types of professions like dentists or engineers. The more appropriate track would be to take the investment in training and other activities that are a necessary part of becoming an artist into account and include them in the calculation of the socially necessary artistic labor as well. Then, many more results would collect in the middle, for the hours of socially necessary labor would drastically increase. The differences between the prices currently being paid would no longer seem so preposterous, because the overall return on the individual hour of artistic labor would drop precipitously.

Two quantities are particularly interesting in light of this line of reasoning: first, the amount of time *not* spent at art school that is a necessary part of becoming an artist, and second, the question of how the time that is spent at art school is financed. This is an area in which there are marked differences

between different cultures, countries, and regions, but also between different types of artists. The first quantity – time not spent at art school – has fallen substantially compared with the amount spent at art school. Fewer and fewer professional artists are “outsiders” who acquire their artistic education through romantic involvement in “life” and then go on to invest that productive power. Generally speaking, the *curricula vitae* of artists increasingly resemble those of other highly qualified specialized workers. Hence, it is becoming almost impossible to reinforce the exceptional status of the art object – which has often been transfigured but also irrationalized by reference to the exceptional lives of the artists as bohemians, freaks, and other *homines sacri* – in this way. Further, in terms of the time spent in art school, when considering how the value of artistic products is created, it is normally important to ask who financed the artist’s training. In Europe, the answer is still primarily, in full or in part, the state (or, in a populist abbreviation, the taxpayers).

In the United States and other neoliberal areas of the world, financing this general component of labor that is socially necessary for the production of art has become the responsibility of the artists themselves, who take out loans to pay their way through school and, as it were, invest the income they will only receive later into their prior education. In this sense, artists are entrepreneurs who pursue their own material interest and later that of others. The alternate model (traditionally followed in Europe) effectively casts artists as civil servants or government employees and hence, at least indirectly, bound to a conception of the common good. Not only are they trained at state-funded universities, they also later take on government contracts and commissions – whether they apply for government programs like *Kunst am Bau* (Art in Architecture³), for municipal art projects, or become beneficiaries of a publicly financed, postmodern project culture, or whether they ultimately support themselves by

3 Editor’s Note: *Kunst am Bau* is a federal program in Germany (with counterparts in other European countries) which stipulates

that a certain percentage of the overall funding of certain types of building be devoted to a visual art component.

filling one of the many posts available to artists at state-run art schools. In this way, certain artists participate to a much greater extent in a politically defined project of socialization (via the bureaucratic interface of state institutions). Elsewhere they define themselves more strongly through their participation in the market. Ultimately, both approaches undermine the romantic exceptionalism of art as well as, in a certain sense, that of the commodities they produce.

It is interesting to note that a model of political and public involvement once existed in the United States, namely in the 1930s, when visual artists were widely included in New Deal projects. From Philip Guston to Jackson Pollock, many artists of the New York school, who would later help to establish the United States’ claim to leadership as a cultural great power of the “free world” as well as New York’s global leadership of the art market, spent portions of their education and early careers working on quasi-socialist projects of the New Deal administration. And, having once invested their labor in promoting the interests of the state, it was only natural that they should do so again later on, in a completely different set of political circumstances. The interests they helped to advance became those of the anticommunist, Cold War United States. The state form remained constant, although its content and institutions underwent a drastic change. These artists did not advance the national interest out of gratitude, but because they were already used to working within a framework that was not primarily market-oriented. In a dialectical twist, it was precisely when they became more individualistic that their work became especially useful to the state (with the Cold War underway and the Republicans in power, the state and the market no longer stood in each other’s way).

Now, if we view artists as entrepreneurs who are acting in their own material interest, then the knowledge they have gained in bars and at art school would be their *constant capital* and their seasonal production in any given year would be their *variable capital*. They create *Mehrwert* to the extent that, as self-employed cultural workers, they are able to take unpaid extra time and often informal extra knowledge away from other

daily activities – some of which are economic and essential for survival – and invest them in the conception, development, and production of artworks. The more of this extra time is invested the better, following the rule that living labor as variable capital generates the surplus value, not the constant capital. The more they develop a type of artwork that calls for them to be present as continuously as possible, often in a performative capacity, the larger the amount of *Mehrwert* they create – even if that *Mehrwert* cannot always be automatically realized in the form of a corresponding price.

A model like this may elicit the objection that the two kinds of capital involved are merely components of a single person, so that exploiter and exploited are one and the same. In fact this situation defines the limit for the transfer of the Marxist terminology to the production of art, especially in terms of the parallel between the employer's purchase of labor power and the artist's commitment of his own labor time and extra labor time. But whether a season's production comes across as promising or idiotic often depends on the newly acquired, additional intelligence of the project and its producer, and its *Mehrwert* depends on how large a proportion of living labor was involved.

Now it goes without saying that the artist who has distanced his activity from practical studio work as well as from extra work in nightlife and seminars, and who, as a purely conceptual entrepreneur, has a large number of assistants who perform these activities for him, creates an entirely different *Mehrwert*, one that is not produced through self-exploitation.

Let us imagine, then, that I decide to take my own variable capital, the commodity of artistic labor power that I have acquired from myself and my assistants, and – on the basis of the constant capital of my artistic competence, the “technology” of my artistic command of the material – I invest this in a particular manner. Like any other businessperson, I will try to do so in such a way that the proportion of additional labor power invested by me or by my assistants is as valuable as possible. My goal is to produce a value that not only can be realized in the form of the highest possible price in the everyday world

of relations of exchange with gallery owners, collectors, and museums, but one which also maximizes its rate of new labor and variable capital involved, and above all of additional unpaid *Mehrarbeit* (or surplus labor) in the Marxist sense. In this respect, the specific expectations that contemporary artists must fulfill if they wish to be successful coincide with Marx's formula for *Mehrwert*: they are to produce works that are as fresh and new as possible (variable capital including *Mehrarbeit* [or surplus labor]), but they are to do so on the basis of an already existing reputation and knowledge (constant capital). When the proportion of constant capital becomes too large, my rate of *Mehrwert* formation begins to fall. This is the case, for example, when too much training time must be accumulated in order to then produce something through living labor (my own or that of my employees). This is the economic disadvantage of the intellectual artist (who labors excessively at school), or the artist who acts from an especially deeply felt sense of his or her own biographical imperatives (who labors excessively at the bar). Indeed, the same model of everyday value formation can easily be applied to the present-day self-employed cultural freelancer who works outside the art industry. However, the rate of *Mehrwert* formation also falls when the artist in question is dead or when only old works continue to be traded. In that case (but not only in that case, since this is now happening with young living artists as well), the laws of speculation take over.

(2) For this other kind of value – *speculative value* – comes about through properties of the work that are distinct from the value of labor time and its use. Nonetheless, the prerequisite of speculative valuation is a first or primary value of the artwork, derived from its average socially necessary labor. In other words, there must be an everyday art market wherein such an average rationally determines the prices that are paid for a work – made by an artist who has reached a certain age and has spent specific amounts of time at art school, involved in nightlife and living out a creative, experimental existence. A work by a thirty-five-year-old artist that costs, say, twenty thousand euros,

certainly isn't cheap, but it corresponds to the average amount of labor invested in it, also if you compare it with labor by similarly specialized and educated workers in other fields. That may still be the case, albeit just barely, if the price is five thousand euros per work, and it remains the case up into the high five figures – naturally, factors such as size and the number of works that can be produced with comparable effort and expense are important variables that figure into the price.

Price fluctuations within this range are certainly also due to impact and reception outside the market narrowly defined – as recognition on the part of curators and critics, etc. – but are not yet due to speculation. Also, the commodities produced by artists at this level are not absolute exceptions vis-à-vis other commodities and practices. While it is true that artworks are absolute singularities – and this is the case, as we will see later on, even when they are reproduced and reproducible – they have this status as instances of a certain category of commodities. Artists satisfy the general desire and demand for visual artworks – understood as a demand for singular objects – by producing concrete singularities. Rather than an exception to the commodity market, this singularity is precisely the desired quality of a specific commodity type, its universal attribute.

It is worth noting that price differences between five thousand and one hundred thousand euros do not represent an especially broad range of variation. Such price variations are similar to those among mass-produced motor vehicles at different levels of quality and luxury. The fact that the labor of designers and of PR professionals who have helped to establish the symbolic value of a label (and thus added to its constant capital) plays an increasingly important role in creating the value of luxury consumer goods, and of the ubiquitous brand-name- and label-oriented products, does not mean that these values are suddenly being created by pure spirit as opposed to living labor. Activities, such as those involved in name or brand building, also constitute highly qualified types of labor (and should therefore be likened to the labor of acquiring an education). When we regard the various symbolic

values of these labors as the substrates of social distinctions (whose production is learned and practiced inside and outside cultural educational institutions and which are refined in the appropriate milieu), we can see that in these individual acts and decisions, value-defining and not only price-defining labor has gone into producing art and design commodities.

A characteristic feature of the normality of the exceptionalism that determines the everyday life of art is that it consists entirely of objects that seem to have no everyday use value and therefore consist of nothing but inflated exchange values and exchange value fetishes. But this is not the case, precisely in art's everyday life. In this arena, fetishistically inflated exchange value has been domesticated as what we might call a "second-order of use value". It goes without saying that there is a certain use value realized in the various ways of relating to art objects – as with all commodities, that use value is dominated by exchange value. Thus, use value is every bit as present in art objects as it is in all other commodities. It cannot be reduced to a "distinctive value", "status symbol", or "symbolic value", as if there were completely unsymbolic commodities, and above all as if those designations themselves did not refer to an eminently concrete use within the sphere of social action, one that people often make no effort to disguise. One might say that the use value of a certain kind of commodity – which includes art objects – lies in its promise to appear as a pure exchange value, its ability to turn into money. It is just as important, however, that this promise goes unrealized for the time being. Its deferral corresponds to the art object's beauty. The beauty of that object lies in the dead labor that it will be capable of performing as an exhibition piece or archival object. It holds out the prospect of an eventual transformation, which – if one disregards the "prosaic" nature of that transformation – may even seem to be an experience of the sublime.

Now for speculation to be possible, it must be able to go far beyond the everyday value of the object while continuing to engage – and invest – in a discourse on reasonableness similar to that which surrounds the primary – and at least apparently normal – relationship of price and value (and the relation-

ship of labor and value embedded within these). It is necessary that, beyond this normal relationship, the distance between labor and value is enhanced by the element of a wager – and hence of another temporal dimension beyond that of labor time. All speculation, whether in art or anything else, refers to the expected realization of value at some future time – to the realization of living labor that will have “hardened” in the form of value, without the need for any additional living labor. At the same time, this wager not only attempts to call upon expert knowledge concerning a particular future expectation; it also attempts to use that knowledge to influence the future directly. However, it is completely indifferent to how value is actually created. As is well known, one can bet on the realization of value completely independently of whether the products in question are agrarian (pork sides, frozen orange juice) or the weather-beaten products of some outdated form that mixes crafts and industrial production and is itself based on a highly developed division of labor (old apartment buildings in big cities).

In the visual arts, the rationalizing of speculation is based on the notion that this is in some sense a component of the determination of price, either as a truth (that was previously submerged and is now emerging) or simply as a perpetuation of the mixture of value creation, price formation, and reception (that was supposedly contained in the original determination of the object’s price). The price of an ordinary commodity only appears as the false semblance of its value (and hence of the way in which living labor is transformed into value) because prices always appear as the prices of *things* and bring into the world a notion of reasonableness and unreasonableness that can only apply to things. In art, by contrast, the discourse of reasonableness is constantly searching for arguments that go beyond the objective aspects of price formation (rarity, demand, etc.) and include the artistic quality and the time and money required to accrue these – of the individual work – in the justification.

In the process of speculation, this rationalizing discourse becomes doubly false. Not only is it still based on the notion that prices can adequately express value, it now insists that the

speculative price – far from having even less to do with living labor – is a particularly intimate and faithful expression of the true status and metaphysical value of living artistic labor. The price fetched at auction is meant to be the voice of history, in contrast to the price paid on the everyday art market, which is merely the voice of fashion.⁴ From the notion of *ars longa*, which legitimates art by pointing to its longevity and outlasts the *vita brevis*, to the notion of the never-ending character of aesthetic experience that is posited by modern reception theory, there is a long line of philosophical theories of belated truth, of the gradual revelation of reality, of the slow accomplishment of justice, all three of which are purposely conflated with speculation in the specific mode of false consciousness that characterizes the art market. It is also telling that, in recent decades, advanced art has not only taken duration as the subject of special genres (duration pieces); it has also made it the subject of large portions of fine art genres that were originally conceived exclusively in spatial and object-like terms (time-based installations, even time-based paintings).

But this doubly false semblance based on the rationalization of speculation, is not to be confused with the act of double negation. It merely completes the illusory character of the first or primary kind of price, making it “airtight” and impenetrable. This illusion is also causally connected with that first or primary price: Every normal, everyday act of purchase and exchange in the world of primary prices and their associated values can also be read as an act that has a bearing on speculation, even where the prices involved are list prices that are apparently the same for all.

(3) There is a widespread assumption that the commodity character of artworks is associated with their reproducibility. The view that reproduced or reproducible artworks are not really artworks at all but merely commodities is a misunderstanding that it is probably no longer necessary to correct. Of

⁴ At least this constitutes the elements of the basic market system for art, even when today people sometimes use these classical elements to do something else – staging gallery shows as auctions; biennials as gallery shows; coming soon: the auction as debut.

course, it was only natural that the first post-ritual artworks – that is, secular artworks that were no longer made on commission and were often produced in factory-like studios by teams of workers who divided the labor among them, supervised by the master – could only become commodities by presenting themselves as originals. The aura of the original, which is the prerequisite for the artwork's commodity character, is a mystification in its own right. It functions like the mystification already embodied in the work's commodity character, but it mystifies something else. The commodity form lends to the transformation of living labor into abstract labor, use value into exchange value, an object-quality that causes the social character of the labor and its distinctive features to appear natural. Via the conceptual fetish of the "unique genius of the artist," the aura of the original causes the living artistic labor to appear as a patina, a physical index, an aspect of a work's chemical and material composition, hence as a quality connected with natural material decay, that is, as all of those things that can be fetishized under the headings of personal signature, uniqueness, originality, and artwork. Not all of these concepts, however, refer exclusively to the material quality that causes the living artistic labor to appear as an auratic object. To a certain extent, the authentic material of the original has already evaporated and the art object has turned into something like a metaphysical index.

Since the twentieth century, the artistic commodity is no longer required to be an original in the strict sense. It can take the form of a multiple, a printed work, a rare periodical, or a readymade. The artist's singularity is no longer transferred to the object via physical contact with them, but via a spiritual one. The artist *conceives* the readymade, *plans* the project. Nevertheless, the process must ultimately result in rare, singular objects: traces of production, out of print periodicals and printed works, gallery posters, invitations, certificates, or objects auraticized by other kinds of visible or less tangible efforts. What these objects display is no longer a physical index but a metaphysical one. Their reference, however, is neither iconic, nor is it symbolic. The artwork is not an image of the artist's

singularity, nor is it an arbitrary sign. Rather, it continues to be regarded as an *index* of his or her uniqueness, his or her singular individuality. The artwork is an *image* with respect to the world it represents; that world, however, is secondary to the indexed uniqueness of its deliverer or deliverers (since sometimes the focus is on unique constellations or collectives rather than singular artists). It is a *symbol* within the social relation: in the differential production of its meaning and status in relation to other works. Its value, however, is determined in connection with its aura, and therefore *indexically*.

In the case of this second, more widespread "metaphysical index", the artistic commodity not only contains the abstraction of the artist's living labor, together with all of the labor previously invested in art school, nightlife, and Bohemian existence. It also contains the additional, non-artistic living labor of the artist's employees and assistants as well as that of subsidiary firms such as printers, foundries, etc. In addition, however, it further – and above all – contains the spiritual management of all of these subordinate types of labor by a director, a person in charge. This director, then, performs intellectual labor, and a steadily growing amount of such labor, which cannot be described in detail but which acquires a metaphysical index in the mediated presence [*Vermitteltheit*] of the artist's traces, in the mediated presence of the aura and its conversion into an "as-if aura". This is the case even when the work itself takes a critical view of, or attempts to exclude, questions of artistic subjectivity. In the art context, projects, performances or other works that do not yield objects are also auratic, provided they result in some trace that is capable of, at some point, ending up in a private collection and acquiring a value.

This new aura is thus a special kind of value that realizes managerial and intellectual labor as well as the many kinds of labor that go to make up the artist's life. Objects are better able to do this the less they continue to thematize the classical aura, with its material traces of the physicality of the artist. Nevertheless, in the end, artworks must be capable of absorbing the trace and the quasi-indexical mechanism of this new

aura, which is purely conventional but binding for all involved. These characters might be described as the specific aesthetic qualities of the object. And indeed, the logic of speculation often regards the length of the dead labor – or some other form of increased intensity, usually via exhibition – as heightening the object's auratic value in the same way that the quantity of living labor heightens its simple value. Other forms of this increase in intensity are new facts about the artist, new auction results, etc.

Of course, some may object that the construction of a metaphysical index, an aura of artistic subjectivity working in hierarchical terms, is merely another way of describing an extremely conventional model of intention and execution, or even a way of recasting the notion of expression. In actuality, it is an attempt to demystify popular notions that are related to both of these concepts and that help to establish a willingness to regard an artwork's price as the price of something that cannot actually be evaluated. The reason, then, that this attempt at demystification does not operate with other, perhaps more modern perspectives on artistic production in which there is something like an antecedence of materials, genres, and discourses and in which artists merely inscribe themselves, is that it focuses on precisely those notions of price and value – namely the speculative – that predominate in the art industry, rather than other, more academic descriptions that allude to the activities of recipients and producers. In order to do so, it makes use of the Marxist model of opposing living and abstract labor, use value and exchange value, value and price. Artworks and art projects are capable of articulating content and enabling aesthetic experience independently of their commodity form. What is important, however, is that they do this through the auratic object, which has a highly specific connection with the generation of value that differs from that of newspaper journalism and poetry – although the latter also articulate content independently of the way their commodity value is generated. In the case of artworks, the question of value is always (at least partly) thematically embedded as

content in a specifically concealed manner, since artworks offer themselves up as fetishes.

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This description of the commodity character of artworks is a description from a particular perspective. It has no desire to replace other perspectives, but seeks to develop a decisive picture of value, which it distinguishes from price, deriving it from the artist's living labor. In doing so, it uses an ideal device – the notion of an everyday aspect of artistic exceptionalism, the notion of a “domesticated” exceptionalism. This domesticated exceptionalism can only exist and at least become reasonably plausible if it occupies the force field between the everyday life of everyday value creation and the double exception of speculation. So far, it has been shown that speculation has developed an everyday life of its own. Within that everyday life, especially in other art forms, however, an intensification has taken place that forms the subject of this essay's third chapter, “A Crisis of Value”.

III A Crisis of Value

Thanks to the special object character of visual artworks, the relationship between their economic price and the living labor that has gone into producing them and that was previously invested in the artist's education is fundamentally different from that which exists in the other arts: film, music, and theater. Nevertheless, in the bourgeois era a system developed that, in addition to the exceptional returns sometimes enjoyed by living visual artists, also ensured that other artists would be able to make a living. These artists had to sell their labor in the market place in various ways and at various levels of the social hierarchy, and did not as often have the privilege of working as independent artists and entrepreneurs. In return, however, the system guaranteed them economic security. That system was based in part on the reproduction of their work and in part on their physical presence at performances. Because of the high labor costs involved, this live performance-based segment (theater, opera, symphony) is still associated with heavier financial losses. It therefore tends to be most robustly funded by the state or – in the United States, for example – supported by private, not for profit institutions that receive tax breaks in place of government funding. The reproduction-based segment – film and music – does make profits, which in the classical era of the culture industry were produced by employing industrial means of production and exploiting living artistic and other labor. In Western capitalist societies, profits generally tend to be private, while losses are more often than not assumed by the state. But the reason why the surplus value gained from reproduced cultural commodities was so high is that the latter contained a large amount of cheap living labor performed outside the artistic sector. That labor extended from literal reproduction – in record pressing plants and film duplication facilities – to packaging and printing, from shipping and freight to advertising and promotion. Digital reproduction has put an end to the possibility of creating *Mehrwert* by exploiting large quantities of poorly paid, untrained

labor directly involved in the physical production and distribution of the reproduced cultural commodities.

Now, however, the culture industry has entered a crisis. As reproduction continues to become massively cheaper and easier (affecting the film and music industries to differing degrees), *Mehrwert* formation has been forced to shift to the other sectors of production. In this reproduction-based sector, it was not enough to drive wages – or the prices paid for living artistic labor – into free fall to keep the rate of profit high (the rate of profit depends on having the largest possible proportion of living labor). Only a tiny handful of superstars, or classical musicians directly employed or subsidized by the government, are still able to make a living from their music alone. In the realm of cinema, experimental and artistic films have shrunk to a handful of government-subsidized works on the fringes of television. Thus, in the music- and film-based segments of the culture industry, the emphasis has shifted from an object-based economic form to a performance-based one, in which living actors are regarded less as a long-term investment whose status is comparable to that of the self-employed businesspeople in the world of the visual arts; instead, they tend to have the status of day laborers. The only route out of this way of life is toward the government-subsidized high art segments (theater, ballet) or the visual arts.

Meanwhile, the exodus to the auratic-object- and performance-based realms is continuing. Musicians can only support themselves by touring and taking advertising contracts, not from the sale of reproduced sound storage media, whose reproduction has become obsolete in the digital age because copies and originals have now become technically indistinguishable. Hence, experimental filmmakers and musicians are increasingly attempting to define their works as originals or as objects that are no longer originals in a technical sense, but rather carriers of a secondary aura or metaphysical index. Moreover, the culture industry is experiencing the proliferation of a wide variety of new “discount sectors” (in television, the Internet, and the CD and DVD markets). Here, performance-based formats have emerged that involve a deprofessionalized

and deregulated culture-industrial proletariat – one that helps to produce liveliness, animation, masturbation material, emotion, energy, and other varieties of pure life and sells its own self-representing labor power very cheaply, no longer as labor power but as less and less professional “life force” or vitality. Porn becomes the increasingly apt economic model. At the same time, clients and producers at the upper end of the bygone culture-industrial sector are fleeing to the object-based arts.

Possession of the secondary aura ultimately allows the visual arts to follow suit via the selling of alien products – products that were not originally art objects but were sold through reproduction and are now ennobled by the metaphysical index. These include records made of crazy colorful vinyl and produced in limited editions, CD boxes with high design value, and multiples of all kinds. However, unlike the multiples that come from sculpture, these tend to function as artist books used to, as ennobled but essentially conventional data storage media (sound and image carriers or books).

The flight towards auratic object production, on the one hand, and the proletarianization of performance, on the other, effectively usher in a situation that blends the features of pre-capitalist and post-bourgeois conditions. Previously, the bourgeoisie was a stable, cultural class that had its place at the center of cultural production, which it regulated by means of a mixture of free-market attitudes and subsidies, staging its own expression as both a ruling class and a life force that stood in need of legitimation. The bourgeoisie is now fragmenting into various anonymous economic profiteers who no longer constitute a single, cultural entity. For most economic processes, state and national cultural formations are no longer as crucial for the realization of economic interests as they were previously. As a result, the bourgeoisie, as a class that once fused political, economic, and cultural power, is becoming less visible. Instead, the most basic economic factors are becoming autonomous. Once these factors become autonomous, the obligation towards cultural values that even the worst forms of the culture industry kept as standards, disap-

pear. This tendency contributes to the emergence of two different cultural worlds. One rewards purely physical talent, vitality, agility, and other performative, ephemeral, erotic, and energetic attractions. In this world, the subjectivity of the performers will ultimately be reduced to an essentially interchangeable performance quality – a development that is to some extent already underway with the proliferation of DJs, rock bands, amateur actors, and reality show casts and extras. The publicly available work – a stable object that could be found in archives and on backlists and that once made it possible to establish public personalities throughout entertainment culture – is disappearing, while the number of stars is decreasing, replaced by an ephemeral and shifting population of semi-celebrities. Thus, the whole thing is gradually coming to resemble a world of traveling minstrels and itinerant theater troupes from pre-bourgeois, pre-capitalist culture, albeit now operating under the conditions of the digital age.

In the other cultural world, auratic objects will continue to be introduced into circulation. In part, they will function by way of the metaphysical index – a trace of the artist’s individuality, of an attractive social sphere, or of technological advancement and the ontology of the fashionable – and in part they themselves will have become a kind of common coin or legal tender. They will be associated even more forcibly with increasingly mythified artist subjects and their world. Since their central function is to bring primary and secondary value, the related value creation environments, discursive and silent and other dead labor together with living labor, new formats will arise that will have to reflect and ideologically confirm this abundance of meaning and to some extent also power.

The internally heterogeneous post-bourgeoisie, which consists of profiteers of the current world order who come from a tremendous variety of cultural backgrounds, seems to have been able to agree on the visual arts as a common ground. Within this consensus, the post-bourgeoisie will create a myth of the artist that is different from the myth created and believed in by the old bourgeoisie. Like the old myth, this new one will be based on an ideal self-image: an excessive, hedonistic,

and powerful monster who shares the old artist's enthusiasm for acts of liberation but is far removed from all political or critical commitments. Like the new performance proletarians, it will embrace restlessness and instability as a cultural value and idealize precariousness. The boundary between performance proletarians and neocharismatic artist monsters will be regarded as fluid, and now and again someone will write a heart-breaking musical about the supposed permeability of that boundary.

As a last remaining consolation, let us be glad that, here in Chapter III, I am writing in a literary tradition. Talking about a crisis is after all a classic literary genre. It usually leads to a transformation of tendencies into totalities. But tendency and totalization obey different developmental laws.

Translated from the German by James Gussen