

THE CASE OF MAX ERNST, WHO moved to New York in the early 1940s with Peggy Guggenheim, his third wife, sums up these market tensions. Though his importance is recognized by art

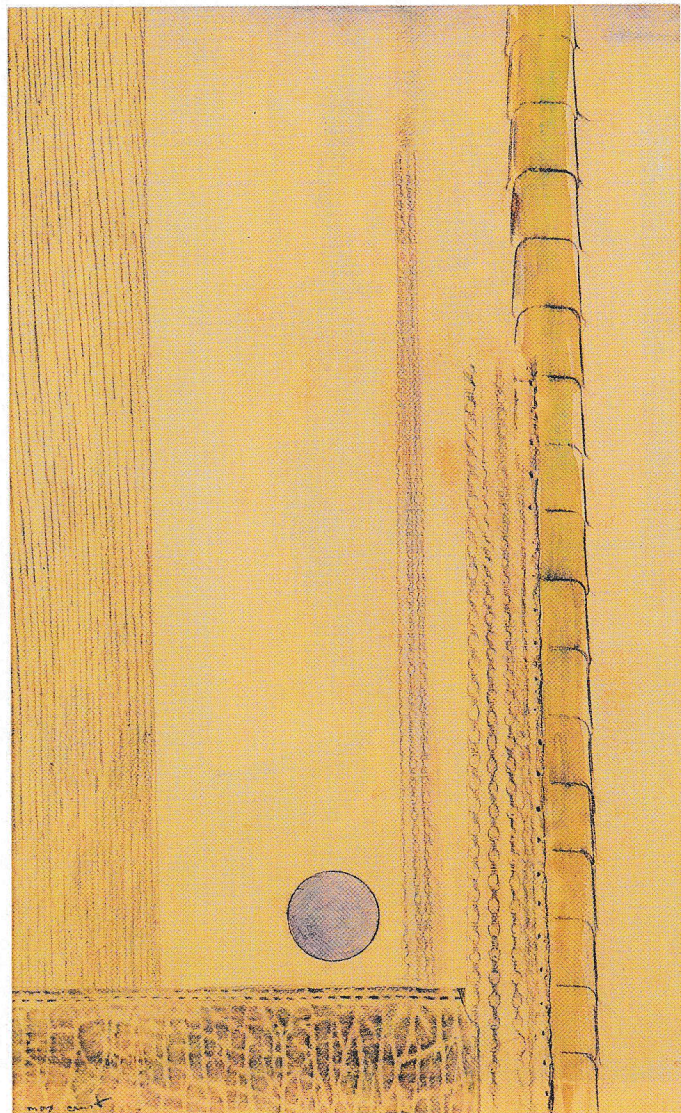
historians, his auction record stands at a relatively modest \$1.4 million, achieved at Christie's New York in November 2000. And though in the late '90s one of his "forest paintings" from the 1930s reportedly sold privately in Europe for around \$5 million, dealers maintain that his market is still not what it could be. "Ernst had every chance [to sell well], and he seemed to do well when Peggy Guggenheim liked him," says New York private dealer Larry Saphire. "The real problem that artists have as they grow older and change is that they turn to new subjects. Collectors want the old ones."

In fact, Ernst, a former Dadaist, was famous for shifting styles, subject matter and mediums throughout his career. In addition to producing paintings, works on paper and collage, he's known for developing various methods of "automatic" drawing, which, like automatic writing, sought to eliminate the interference posed by the artist's conscious mind. His techniques included *frottage* (taking a rubbing of an object) and *grattage* (scraping paint off the canvas).

Olivier Camu, a director of Impressionist and modernist art at Christie's London, says the artist's "dark romantic undercurrent" also makes his work troubling for some collectors. Ernst's imagery is usually denser and more symbolic than Magritte's or Dalí's, and his palette is murkier. "Surrealist art is about the unconscious. There are all sorts of scary and unexpected things coming out of automatic writing and automatic painting." And, as Baum points out, with the titles and subject matter of Ernst's works tending toward the abstruse, "there's going to be a smaller public."

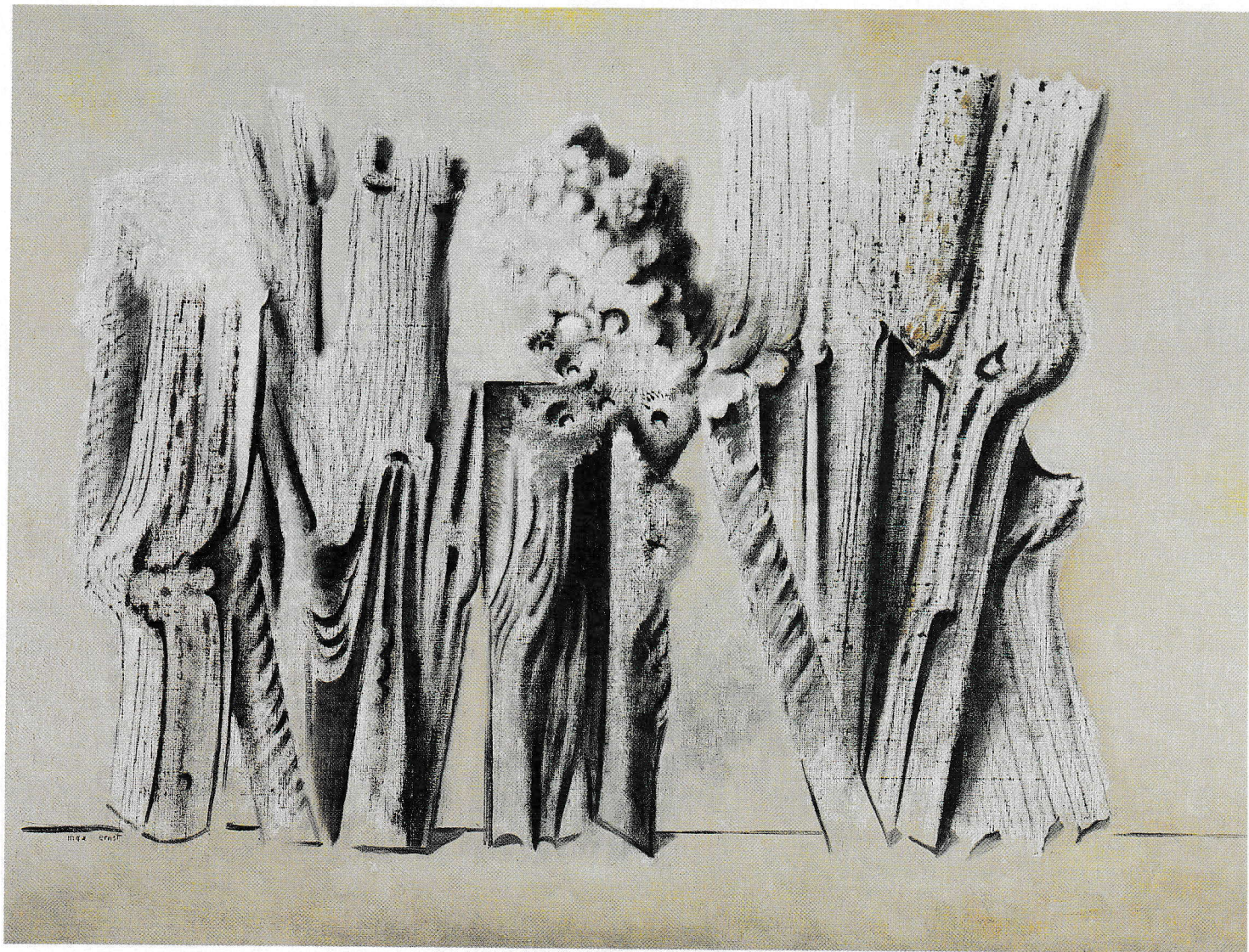
Still, the artist's relatively cloudy market may have a silver lining: There is plenty of room for growth. Paris dealer Daniel Malingue, who handles Impressionist and modern masters, is particularly enthusiastic about Ernst's market potential. Only last year, the dealer says, he was able to purchase a huge Ernst painting for a client at Christie's New York. "I would have paid \$1.2 million, but got it for only \$850,000 [not including premium]. I was really surprised." One day, he believes, "someone will put a real chef d'oeuvre in a public auction and it will go for \$5 million or \$10 million—far more than a Magritte."

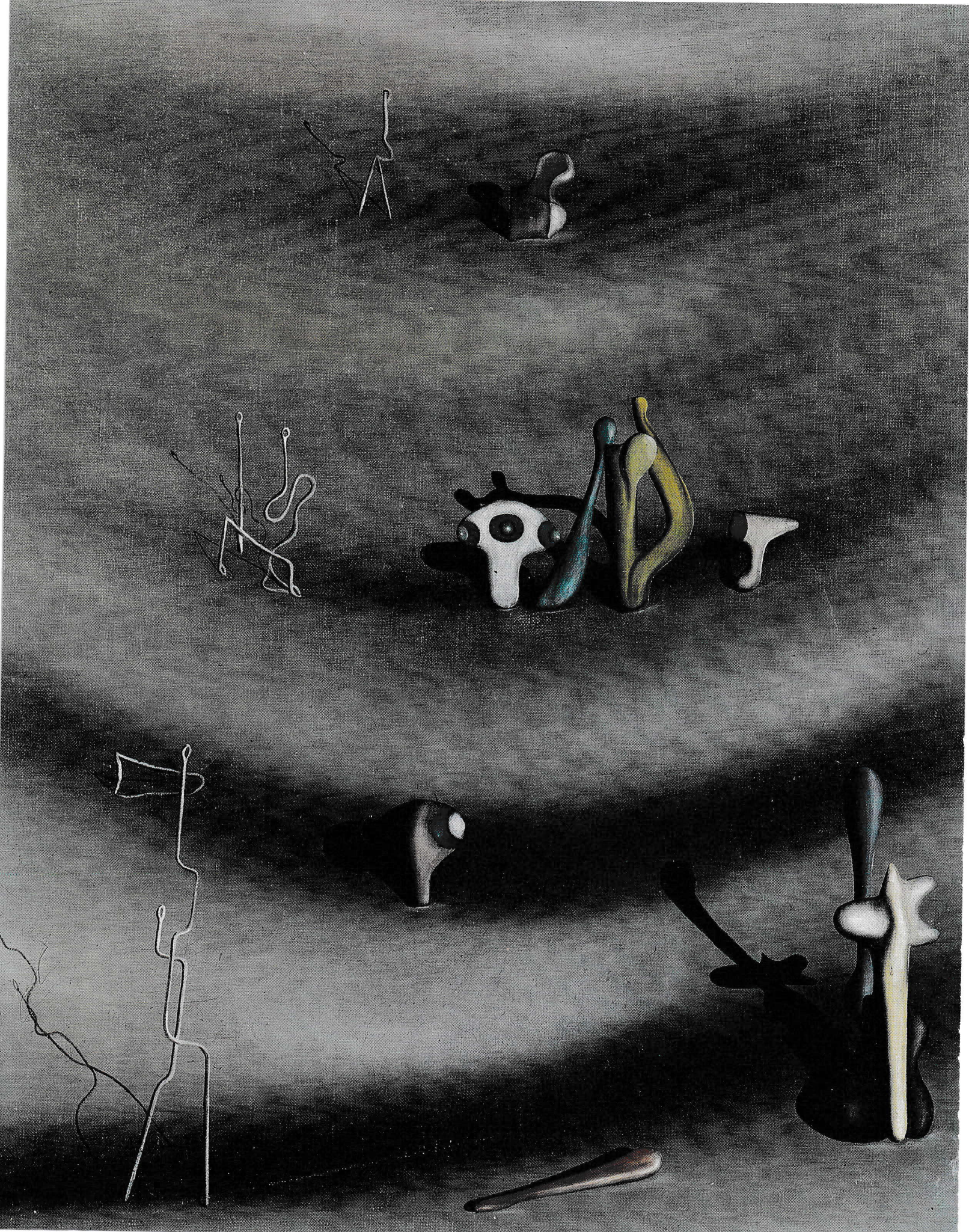
The auction houses are optimistic as well. "This field is on the way up," says Camu at Christie's. "We think it is an undervalued part





Leading Dada and Surrealist figure Max Ernst changed styles more often than he changed wives. One result is that the artist's market has been uneven. Clockwise from near left: the oil painting *Men Shall Know Nothing of This*, 1923, from the Tate in London; the oil painting *Bright Forest*, 1925-26, from Patrick Derom, Brussels; the oil and collage on panel *Loplop présente une fleur*, circa 1930, from the Jan Krugier Gallery, New York; and an untitled *frottage* and watercolor on paper, circa 1925, from Nicolas Ekstrom, New York.







Fluid landscapes: Both Yves Tanguy and Joan Miró specialized in biomorphic abstraction, filling their canvases with sundry free-floating forms and creatures. **Opposite:** Tanguy's *Je te retrouve objet trouvé*, 1938, from Jan Krugier Gallery of New York. **Above:** Miró's *Portrait de Madame K*, 1924, set a record for the artist, achieving \$12.6 million at Christie's sale of the René Gaffé collection in November.

of the 20th-century art market." Christie's launched its annual London Surrealism sale in 1999. Sotheby's, which has handled many important Surrealist estates over the years, began its own sales in London the following year. The focus at both houses is on Surrealism in the broadest sense of the term, including Dada as well as other art related to or influenced by the movement. Many experts date the end of Surrealism to 1966, the year of Breton's death, but works from the late '60s and sometimes even the '70s have been included in the sales. Christie's especially has tested the category by offering Surrealist predecessors Gustave Moreau, Odilon Redon and Giorgio de Chirico and successors such as Francis Bacon and Lucio Fontana in its auctions—though rarely their most valuable pieces. Those, along with top-dollar works by Dalí, Magritte, Miró, Ernst and Tanguy, are more likely to be placed in the prestigious Impressionist and modern art sales in London and New York. In contrast, the Surrealism sales are more affordable, featuring a mixed bag of artists, mediums and prices.

So far this formula has met with moderate success. In February, Christie's sold 79 percent of its lots and Sotheby's lagged at 59 percent (*see review on page 107*). Both houses claim that their sales are attracting newcomers as well as established collectors. At Christie's, says Camu, the Surrealism sales are luring buyers from the Old Masters and Impressionist categories. At Sotheby's, according to Emmanuel di Donna, who heads the Impressionist and modern department in London, much of the new blood comes straight from the modern and contemporary market. "All the younger buyers now in their 30s, 40s and 50s love Surrealism," he says. "Their everyday language and what they see on their walls is more directed toward Surrealism than anything else."

MANY SURREALIST DEALERS, though, call this wishful thinking. They criticize the auction houses' decision to enter an already crowded field. "The auction houses confuse the issue," says Baum, "because they make it look like the material is readily available, and it's not. I told them to watch out." Or, as Sapphire puts it, "The Surrealists always had low prices because the market was so tiny. And it's still tiny, that's the key thing."

Most dealers and auction specialists agree on one thing: The bulk of Surrealist work, wherever it's sold, ends up in Europe. That's what happened with 85 percent of the material at Christie's Surrealism sale in February, where the underbidders were often American. "The

Europeans wouldn't let go of their Surrealist art," Camu says proudly.

The Surrealism market remains notoriously private, with some European collectors refusing even to lend works to museum shows. Others are bucking this trend, like Filipacchi, whose collection is the current gold standard. Also visible are retired New York businessman Richard Zeisler, as well as the music executive Ahmet Ertegun and retired financier Gilbert Kaplan, who both concentrate on Magritte. Relative newcomers Berlin-based Ulla and Heiner Pietzsch have been selling off key works by Gerhard Richter, Anselm Kiefer and other contemporary artists to finance their Surrealism acquisitions.

Museums are also buying, says dealer Patrick Derom of Brussels and New York. "They realize that prices are rising, and it's now or never." Some museums are filling out collections that are already strong, like the Art Institute of Chicago, the Museum of Modern Art in New York and the Menil Collection in Houston, which focuses on Magritte, Ernst and Brauner. Others seem newly conscious of the movement's importance. As Sapphire explains, "They look over their collections and say, 'Where are we weak?' And they're all weak in Surrealism."

Still other institutions happen on it by accident. This was the case with the Scottish National Gallery of Modern Art, a modest Edinburgh museum that became a Surrealist treasure trove almost overnight. In 1995, chief curator Patrick Elliott explains, the museum was offered part of the English Surrealist Roland Penrose's estate, and purchased it with National Lottery funds. The same year, the museum received a bequest from the estate of Gabrielle Keiller, a Texas heiress and professional golfer who married a Scot and somehow ended up collecting Surrealist works.

Why should Scotland be so blessed? Call it another Surrealist incongruity. "Collectors of Surrealist art appreciate the quirkiness of having this collection in Edinburgh," Elliott says. "It doesn't fit, and that's why they like it."

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The Chilean Surrealist Roberto Matta, who moved to New York in 1939, helped pave the way to Abstract Expressionism with paintings like his explosive *Le prisonnier de lumière*, 1943, from Daniel Malingue, Paris.



