

## Communicating Intangible Value. The Case of Contemporary Art

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### Abstract

The aim of this paper is to analyze the phenomenon of dematerialization of art, which is increasingly evident. This phenomenon of increasing abstraction is emerging in complex evolutionary systems of communication in multiple forms (from the presumed real economy to finance, from human resources management to the expansion of intellectual capital formalized in trademarks, patents, licenses, copyrights, etc.). The abstraction of contemporary art reflects a complex phenomenon that can be defined as hypercitizenship in the sense that the levels of observational and operational expertise required for a system to evolve autopoietically are increasingly sophisticated in terms of the four characteristics featuring hypercitizenship: cosmopolitanism, entrepreneurship, scientificity and social autonomy, as compared to the specifics of the art system.

**Keywords:** Art system; Hypercitizenship; Intangibles

### Communicating Intangible Value

One of the classical sociologists most famous for his contributions to the sociology of art was Georg Simmel, however, probably his most valuable essays for understanding contemporary art are not those that he dedicated to the sociology of art; rather, his “Social Differentiation,” “The Metropolis and the Life of the Mind” and “The Philosophy of Money.” The underlying idea of these writings that are thematically quite different from each other is the process of growing density, variety and differentiation by abstraction of the social evolution from the vitalistic vision of “more life” to the formalization of “more than life” [1]. A recent book by Will Gompertz on trends in contemporary art [2] illustrates well how even in the 1980s, the process of Simmelian abstraction and formalization was accomplished neatly; in fact, “art is an idea, not an object” [3], which is to say that the value of a work of art derives from its market value (exchange value) or from its current value (formalized by isotropic expertise standards) and not necessarily from its value of use (object itself or affective-emotional-traditional attachment). This is why Gompertz can afford to write: “the great thing about postmodernism is that it can be pretty much anything you want it to be” [4] and even “conceptual art is good only when the idea is good” [5]. In summary, at least with Pop Art, but even more clearly with abstract expressionism and conceptual art, the phenomenon of dematerialization of art is increasingly evident, in fact, from objects to concepts, to symbols and to brand trends. This phenomenon of increasing abstraction is emerging in complex evolutionary systems of communication in multiple forms (from the presumed real economy to finance, from human resources management to the expansion of intellectual capital formalized in trademarks, patents, licenses, copyrights, etc., from sanguine and natural Marxian and Sorelian politics in the squares to positive formalizations of supranational law with its isotropic standards, for example, in the field of currency, etc.). In this sense, as Mario Ricciardi writes exactly, “the degree of development of communication is the main indicator of systemic complexity” [6] or of its evolutionary power for variety, density, intensity, amplitude and extensibility. Therefore, the abstraction of

contemporary art reflects a complex phenomenon that can be defined as hyper-citizenship [7] in the sense that the levels of observational and operational expertise required for a system to evolve autopoietically are increasingly sophisticated in terms of cosmopolitanism, entrepreneurship, scientificity and social autonomy, as compared to the specifics of the art system.

a) Abstract conceptualizations involve not only materializations, but also deterritorialization that makes it unthinkable, for example, to discern an abstract work as “typically German” from one that is “typically Spanish”.

b) Abstraction and conceptualization not only dissolve artistic confines, but they also introduce a science-based knowledge intensity to observe an unthinkable work, for example, in a classic Madonna and Child that, from the thirteenth to the seventeenth century, was at least a cliché.

c) The abstract and dematerialized art system consists of brand trends, global brands [8], not by artists made of flesh and blood and art works. Therefore, this is a metaphorically economic system, decidedly financial, whose intrinsic entrepreneurship consists of evolving communication flows with high added value, such as at the level of branding policies. This is why Gompertz suggests defining contemporary art, with its ramifications, as Entrepreneurialism [9].

d) The evolutionary form of social empowerment is that of the lobbyist trendsetting only through the supply chain of galleries to the most prestigious expos (Frieze, Art Basel, Art Basel-Miami, etc.). Gompertz implements the “financial” formalization of the concept that creates the market and current value. In essence, contemporary art implements the famous Hegelian lesson that “Absolute knowledge is the spirit that knows itself in the spirit: it is conceptual knowledge.” [10].

Conceptual knowledge introduces three binary codes in contemporary art:

- Art/aesthetics.
- Cosmopolitanism/ethics.

- Capital expansion/ecology.

In regard to conceptual knowledge, the three binary codes constitute the unit as multiplex. Conceptual art is actually art whose meaning derives from conceptual power and from the functional formalization of this conceptual power and not from beauty, from esthetics, which represents a purely and altogether perceptual, ethological dimension, which is inherently subjective and therefore a minority fragment of the conceptual universe. An observer who approaches contemporary art esthetically will simply reveal his own incompetence.

A conceptual universe evolves, through multifaceted and broadly cosmopolitan differentiation, considering self reproducing judgement differences able to turn the undecidable into decidable. This kind of judgment can be an operationally useful kind for less complex psychological systems. Nevertheless, this kind of judgement becomes an evolutionary bond the moment the observing system confuses its own perspective for a presumed objective, ontological reality. Aesthetic or moral judgements reflect the ethical crystallizations of the observer trapped in a synecdoche as the observer thinks that the part (his/her aesthetic judgment) is the whole (the social canon of art). Conceptual art, so dematerialized and epistemologically closer and closer to science as it makes it evident that conceptualization comes first and ethical, moral or aesthetic judgements come along.

Conceptual art, so dematerialized and epistemologically closer and closer to science, has a great power to make it clear, at the same time, that it is inevitably open to the possibility and a relentless mirror of the level of competence of the observer. Paraphrasing and resuming the prestigious Luhmann lecture, the ethics given, its rigidity and bias that are frequently Pharisical and incapable of arguing, unreasonable and incompetent [11].

Finally, conceptual art evolves as an expansion of intellectual and financial capital, proving that artistic and economic development has nothing to do with the number of physical works, with the number of working artists or with the materials used. Art that wants to become poor in regard to being ecologically sustainable for the materials used would position itself outside of any conception and contemporaneity and would simply be an ideological deviation – a policy that is the opposite of the anticapitalist mentality of the 1970s, with the risk of creating a green dictatorship (through the “egalitarian” rationing of “space, time and all other resources and the rhetoric of the proximity of the ‘existing,’” cf. Klaus [12]). Contemporary art can also tackle ecological concepts, as long as there are generators of financial intellectual capital expansion. The expansion and formalization of the intellectual capital, as mentioned above, also evolve from the convergence of art and science toward conceptual abstraction, artificialization, and simulation [13] in making it clear that the images in the world of conceptual abstractions are no longer naive and impressionistic descriptions, more or less picturesque representations of what exists, even if they are systematic constructions and modeling to make the intangible and the invisible be tangible and visible to the senses [14].

The conflation between the artistic and esthetic register has also inevitably influenced the evaluation system of works of art, as it did in the 1926 sculptural pearl by Constantin Brancusi “Bird in Space” which was sold at a New York exhibition by the artist. At that time, the Tariff Act of 1913 was still in force, which regulated commercial trade, with strict taxation, relating to industrial products and gave total exemptions to the trade in works of art defined as: a) original b)

manual c) with no useful function. Bird in Space had many parts made of polished metal, suspected of being industrially processed, which resulted in a proceedings involving the work to determine whether it was a work of art or an industrial product. The judge ruled that it was a work of art in that it was pleasant to behold (for a complete report of the episode cf. [15]), so the judge used an esthetic criterion rather than an artistic one. In 1926, that is, after Duchamp and the avant-garde, a work of art had already been widely conceptualized and detached from impressionistic and realistic naiveté, so it was already clear to critics that whether it was a work of art or an industrial product, it could have been (un)pleasant to behold, but according to the law and economy of 1926, these were, erroneously, synonymous. In the world of installations and multimedia, the manual/industrial boundary has dissolved, while the concept has replaced it, integrating it into a higher level of abstraction, esthetic perception, and a judge who would rule today as did his colleague back in 1926 would pave the way for easy appeals.

### Contemporary Art as the Business of the Intangible

“If something wants to become an image, it’s not so that it will last, it is more so that it can disappear” [16].

This essay offers some systemic “icy arguments” [17] on contemporary art (CA) as a structural coupling between art and finance that shapes and, at the same time, exemplifies the massive dematerialiation of the economy of knowledge that becomes the economy of the intangible [18]. CA is a great travelling circus made up of a spectacle, images and simulacra, which is, on the one hand, a phenomenon with enormous socio-economic impact [19] and, on the other, at the same time, a phenomenon that is ignored and/or accepted with indifference by the masses [20]. CA is therefore a very sociologically relevant case, since it moves enormous financial and intellectual capital, but really meager human capital, almost as proof of the Luhmann lecture [21], according to which the systemic flows of communication in the social sense are foreign to human experiences and interactions. The Luhmann concept of art is not particularly original, but for the sociologist Bielefeld, art in itself is not a strategic issue, but an additional “case study” of his general theory of systems. On the basis of Hegel, Luhmann, in his effective Strassoldian summary, argues that “art is the expression of what cannot be expressed in other ways, so it is inexpressible and inconceivable” [22], but it is the Hegelian legacy that contains in Luhmann, in a nutshell, a very relevant step in the economy of this essay, i.e. “Absolute knowledge is the spirit that knows itself in the spirit: this is conceptual knowledge” [23] and CA itself constitutes the conceptualization of art, separating it from art history in which its use was immediate, emotional and empathetic, or sympathetic, and inspired a cultural community sharing while, in conceptualizing itself, CA blends with ideas and models that are increasingly in harmony with other fields of knowledge (geometry, mathematics of chaos, quantum theory, fractal theory, etc.), thus contradicting the idea that art alone expresses what is not otherwise expressible, to rise instead to the abstract functional equivalent of evolved conceptual knowledge.

Strassoldo is very critical and skeptical about this conceptual breakthrough of art [24], to the point of hoping that CA is excluded from public funding and that it becomes self-sustaining by means of the private capital of its own fans affected by “Neomaniac transgressive syndrome” [25]. In his impressive treatise, Strassoldo laments, with regret, the lack of space dedicated to the art of sociology, to the point where a summary of sociological thought on art by Simmel is possible

at the Frankfurt School, summed up in a few pages [26], which reveal, moreover, that art was the most substantive object of sociology and was never a source of inspiration for conceptual structures and models, perhaps with the sole exception of the Weberian ideal-types [27]. In his smart, sophisticated and entertaining book, "Adventures of an Accidental Sociologist: How to Explain the World without Becoming a Bore" [28], Peter L. Berger argues that many sciences are derived from superstition: astronomy from astrology, chemistry from alchemy, so he wonders what economy will give birth to. To my mind, the answer is clear and immediate, even if it's unpopular in common understanding: finance. The common denominator between astronomy, chemistry and finance is a great and powerful process of abstraction of science with respect to its own origins in superstition. A sociology of art and a sociology of finance today are two sides of the same coin, and these pages are prompted by the observation of this coin. M. Meneguzzo [29] argues that CA in the scenarios of globalization is facing a fork in the road between the "soft variable" and "the apocalyptic hypothesis" [30]. The variable would lead to a mix of elements from the past nostalgically reworked and emerging global trends, giving life, in fact, to a mix that, in my semantics, is easy for me to define as a memetic recombination. The hypothesis, on the other hand, would see the creation of an oligarchy of three elites (Chinese, Russian and Western, whose investments in CA would make it totally financial zed, which, for Meneguzzo, would represent its end [31]. As I will show, in my opinion, the soft variable and the apocalyptic hypothesis of Meneguzzo are not mutually exclusive; in fact, this position could already be seen in the book by Velthuis [32] and in the fine afterword by Sacco [33] included in it. Velthuis describes three ways of relating between economy and art: the playful way (hence the title of his book), the oppositional way (a paradigmatic example of which is Bellasi [34]) and the mimetic way, with the latter characterized by a cross-fertilization between economizing art and culturalizing economy [35]. In all three ways, the relationality is binding [36] but this relationality does not belong to the Erlebnis (what is lived), but to the abstract conceptual learning of the Erfahrung (what is learned from experience) (for a clarification of these two conceptual categories, cf. Piazzzi [37]) or to put it in more pragmatic terms with Tom Wolfe: "today, without a theory to support it, I cannot see a painting" [38] and this step is crucial to a sociological understanding of the relationship between art and finance, but to gain this, we ask for help from Sorokin and Worringer in reverse alphabetical order.

## Contemporary Art between Abstraction and Emotion

Wilhelm Worringer [39], almost a century ago, wrote about the psychology of style using this dilemma: the abstract-conceptual approach and the empathetic, pre-hermeneutic and emotional approach. Today, the elite newspaper, which creates trendsetting and cult exhibitions, has an abstract-conceptual approach to works of art/finance, as is clearly described in the abovementioned Tom Wolfe book, while the Lebenswelt (realm of experience) is still looking in vain for an empathetic approach to works of contemporary art, usually going as far as mocking them, as often happens with anxious and distressed ignorance that has to exorcise itself. Sociology in the 1980s attempted to reintroduce empathy, that category of understanding of the social [40] and it is probably true that, if we apply the paradigm of system/environment [41], it may find its valid and viable functional equivalent in that abstraction/empathy where the system is abstract, the environment empathetic, the system makes sense, the environment produces noise. This is why the social construction of wealth cannot be

anything other than a systemic-abstract production in which the author's brand is something other than what is experienced by the author [42], which join together only in the current account assigned to both, so to speak. If we then want to argue that today the masses, most people, live in a humoral and contingent way the emotion of the planet is not distributed in a Pareto-efficient way (let's say, to simplify it, under the principle of 20/80, cf. Pitasi, [43]). The elite are systemic, abstract and conceptual, while the masses are emotional, cynical (in the sense of Diogenes of Sinope) and sensate. And here Sorokin enters the scene, who theorizes three different visions of the social world followed in Western history. They integrate the various Zeitgeists with their related artistic productions, specific to a particular civilization, or, therefore, related to legal and organizational forms that are functionally viable. Sorokin focuses primarily on the history and sociology of art, particularly fertile soil for his theory. Sorokin differentiates three succeeding forms of culture, which he calls ideational, idealistic and sensate.

Sorokin considers these three forms of culture to also be necessary for the harmonious development of civilization. Their succession extends nonetheless towards a dissolute process of crisis and decay, of which, according to Sorokin, CA is a case in point [44], and the antidote for which is the cyclic nature of history. The ideational, conceptual culture is considered by Sorokin to be the highest and creatively the richest. The next two forms indicate a decline of the civilization that produces them and, at the same time, a gleam of a future reversal capable of reproducing the content of ideational art. The ideational/sensate dichotomy reflects and accepts that constructivism/realism and, at the same time, one wonders how this dichotomy applies to the sociology of art, where it fully extends to the Sorokin reflection. First of all, the Sorokin dichotomy is invaluable for understanding how sensationalism eliminates the specificity and the abstract added value of CA. A sensist-realist-materialist vision is in this sense that of Howard S. Becker [45], who, in his famous "The Worlds of Art," argues that "one of the weaknesses of the sociology of art has been a tendency to consider art as something special that cannot be treated in the same way as other normal activities" [46].

From this point of view, however, the ideationist vision considers CA to be a specific medium for conceptualization and abstraction of knowledge that leads to a specific "arty business" [47].

From this point of view, my essay aims to lay the foundations for a sociology of the systemic, abstract and conceptual relationship between art and finance. In this sense, the growing abstraction is also seen, in many CA currents (such as for example) Abstract Expressionism, Conceptual Art and, some way, in Pop Art) in the disappearance of the media function (canvas/paper, oil/acrylic, painting/sculpture, increasing differences that do not make a difference, such as, for example, in the relationship between the museum and the works contained in it, where the museum itself often, with CA makes it out to be a work of art [48]. So, the form is abstracted from the medium, in fact, as Luhmann writes exactly [49]: "form is then a higher medium, a second degree medium which is able to use the difference between form and medium itself in a medial fashion as a medium of communication." This paradigm shift in the relationship between art and finance conveyed by abstract and conceptual art is of undeniable sociological relevance. However, art criticism, including by its prestigious proponents, has often ignored it, as in the case of Renato Barilli, for whom abstract and conceptual art did not express anything that was not already inherent in the Russian

constructivist avant-garde [50]. Or it simply demonized it with a whiny/pitying attitude, like Jean Clair in "Critique of Modernity" [51], of which the following passage is illustrative: "but life has long since abandoned the torn body of art" [52]. It is unlikely that a Frenchman would know German well and, in fact, in the very last page of his book, Clair, convinced that he is invoking a nostalgic return to the past or the eternal nature of true art in comparison to the more ephemeral vulgarity of CA, gets himself trapped just by quoting a famous passage from the expressionist Egon Schiele: "Kunst kann nicht modern sein, Kunst ist urewig" [53] which means art cannot be modern, art is eternal. Eternal in German is "ewig," while "ur" is a very powerful prefix, about which I will say more below. He may not have misunderstood the first part of the quote, where Schiele says that art cannot be modern, but the translation of the second part was certainly much more problematic for him.

"Ewig" is eternal in German and "ur" is a prefix with formidable power, but still very difficult to understand for those who do not have a strong command of the German language. In fact, it elevates the adjective or noun to which it is added to a higher level of abstraction, connecting it 'recursively' to an originating nucleus, to a "source" so as to evoke a sort of eternity, but this is a conceptual eternity and then, as a definition, it is not morphostatic and immutable, but is constantly in flux and constantly evolving.

Warhol's can of soup, more so than the essential lines of Rothkonon, are degenerations of art after centuries of Madonnas with Child and noblemen on horses. The works of Rothko better bear witness to the "urewiges Prozess" through which the evolutionary continuity of art is abstracted from the sensivism and the realism naively inductive, highlighting the continuum and the ceaseless creative flow from the human cerebral neocortex, which is the Ursprung und Ursache aller Dingen, or, in English, the original source and original cause of everything, even of the most seemingly tangible things, such as, for example, a car.

Therefore, what can be inferred from the words of Schiele is the eternity of the conceptual abstraction of the creative process underlying any emanation of human thought and thus also of art that, as such, cannot be modern (and in compensation, not even classical), being attributable to an undeniable process of creative development.

The aim and spirit of this paper was systemic and sociological providing a sociological analysis of the evolution of systems from a more structural and ontological vision towards a much more abstract, conceptual, dematerialized vision which reflects the evolution from labour to capital.

Art as a system and specifically contemporary art trends provided important evidence of this evolution from tangible to intangible assets in the making of social meaning of art.

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