



INTERNATIONAL MAX PLANCK RESEARCH SCHOOL  
on the Social and Political Constitution of the Economy  
Köln, Germany

Elena Bogdanova

## Valuing the Past

The Constitution of the Antiques Market in Russia

Studies on the Social and Political Constitution of the Economy

Elena Bogdanova

**Valuing the Past**

The Constitution of the Antiques Market in Russia

© Elena Bogdanova, 2011

Published by IMPRS-SPCE

International Max Planck Research School on the Social and  
Political Constitution of the Economy, Cologne

<http://imprs.mpifg.de>

ISBN: 978-3-946416-00-5

DOI: 10.17617/2.1464922

Studies on the Social and Political Constitution of the Economy  
are published online on <http://imprs.mpifg.de>. Go to *Dissertation Series*.

Studies on the Social and Political Constitution of the Economy

## Abstract

Valuation and assessment of antiques are in the focus of the thesis: the symbolic and narrative character of these objects of the past makes them a special case among other singular goods. Their value develops over time into a number of orders of worth (Boltanski and Thevenot 2006) where antiques are conceptualized as historical, cultural, aesthetic, sentimental, and financial assets. As objects of art, antiques are not standardized: in some cases they have been produced as unique and single objects; in other cases the process for becoming a valued antique has varied. Moreover, many antique objects have their own histories relaying evidence of the unique circumstances under which they were produced, exchanged, possessed, lost and found again. As a result, there are almost no antiques that can be assessed using one given set of criteria. In market terms, such characteristics translate into high uncertainty about the quality for these goods. In light of this, the central question of the thesis is: How are antiques valued given the uncertainty of product quality and the context of unstable macro-structures in Russia? The main goal is to find market devices that help to solve this problem. An inquiry into the possible devices is presented in the empirical study of the antiques market in Russia as well as in research on the history and nature of unstable macro-structures that influence valuation. The process of valuing antiques that involves appraisal and attribution is an ambiguous one: market actors need specialized knowledge in the field of decorative art and art history in order to make the correct judgments. Discontinuities in historical records mean that this specialized knowledge is often open to debate. What is more, specialized knowledge may be inaccessible to some market actors, or be too difficult for them to grasp in order to be able to make proper use of it. The past has to be taken into account, but it is also inherently uncertain. Thus actors in the antiques market have to cope with more than the traditional problem of uncertainty regarding the future: the discoveries of new artifacts, or just historical facts, can significantly influence the valuation of objects.

## About the author

Elena Bogdanova was a doctoral researcher at the IMPRS-SPCE from 2007 to 2011.



**VALUING THE PAST:  
THE CONSTITUTION OF THE ANTIQUES MARKET IN RUSSIA**

Inauguraldissertation

zur

Erlangung des Doktorgrades

der

Wirtschafts- und Sozialwissenschaftlichen Fakultät

der

Universität zu Köln

2011

vorgelegt

von

Elena Bogdanova

aus

Ulyanovsk (Russland)

Referent: Prof. Dr. Jens Beckert

Korreferent: Prof. Dr. Sigrid Quack

Tag der Promotion: 8 Juli 2011

<b>List of Tables.....</b>	<b>vi</b>
<b>Acknowledgments.....</b>	<b>vii</b>
<b>1. Introduction.....</b>	<b>1</b>
<b>1.1. Research Question and Theoretical Framework.....</b>	<b>3</b>
<b>1.2. Case Selection and Methodology.....</b>	<b>5</b>
<b>1.3. Organizational and Methodological Constraints of the Research.....</b>	<b>7</b>
<b>1.4. The Structure of the Thesis.....</b>	<b>8</b>
<b>2. The Value of the Past: The Emergence and Development of Interest in Antiques in Western Europe.....</b>	<b>14</b>
<b>2.1. Bringing the Past into the Present: The Evolution of the European Concept of Antiques and Their Value.....</b>	<b>15</b>
2.1.1. Early Forms of Sacral, Social, and Material Values of Antiques.....	15
2.1.2. Renaissance Mentality and the Birth of a Systematic Understanding of Antiques as Old and Rare.....	20
2.1.3. The Spread of Interest in Antiques Across Europe in the Seventeenth and Eighteenth Centuries.....	23
2.1.4. The Beginnings of a Systematic Study of the Past: Classifications and Styles in Archaeology and Art.....	24
2.1.5. Trade and Sentiment: The Antiques Market in Nineteenth Century Europe.....	26
2.1.6. Antiques as a Part of Civilization Processes.....	29
<b>3. Social and Political Transformations in Russia and the Value of Antiques ..</b>	<b>33</b>
<b>3.1. Specificity of Russian Art and Antiques: Borrowing and Adapting.....</b>	<b>33</b>
<b>3.2. The Antiques Market in Russia in the Eighteenth and Nineteenth Centuries... </b>	<b>35</b>
<b>3.3. The Russian Revolution and the Establishment of State Control of the Antiques Market.....</b>	<b>39</b>
3.3.1. Accounting for Culture: Nationalization and the Sale of Art and Antiques in the 1920s.....	42
3.3.2. Industrialization at the Expense of Culture: Turning Rembrandts into Convoys of Tractors.....	45
3.3.3. Future-oriented Ideology and Memory Crisis.....	46
<b>3.4. Antiques and Their Value During WWII.....</b>	<b>49</b>
<b>3.5. Khrushchev’s Housing Policy, the “Thaw” Ideology, and The Fight With Meschanstvo: The Socialist Lifestyle vs. Antiques.....</b>	<b>50</b>
<b>3.6. The Emergence of the Illegal Antiques Market in the Soviet Union.....</b>	<b>52</b>
<b>3.7. Rehabilitation of the Past and the Return of the Market in the 1990s.....</b>	<b>54</b>
<b>4. The International Market for Art and Antiques: Structure and Main Characteristics.....</b>	<b>57</b>
<b>4.1. Assessing the Financial Attractiveness of Art and Antiques.....</b>	<b>59</b>
<b>4.2. Prices and Economic Cycles: Art and Antiques as Alternative Investments.....</b>	<b>60</b>
4.2.1. Returns on Investments in Art and Antiques: Methodological Challenges for Measuring the Worth of Art Objects.....	61
4.2.2. Creating “Market Baskets” as a Method of Value Accounting.....	63
4.2.3. Value Regressions for Single Objects.....	64
<b>4.3. The Attractiveness of Investments in Art and Antiques from a Comparative Perspective.....</b>	<b>66</b>
<b>4.4. The Contemporary Market for Antiques and Its Main Characteristics.....</b>	<b>69</b>
4.4.1. Market Actors.....	70

4.5. The Role of Incomplete Information in Market Coordination.....	76
<b>5. Beautiful and Dangerous: An Empirical Study of Antiques Market</b>	
<b>Coordination in Russia.....</b>	<b>79</b>
5.1. The Antiques Trade as an Illegal Market in the Soviet Union: Main Features, and Consequences for the Contemporary Market.....	80
5.1.1. Structural Preconditions of the Antiques Market in the 1990s .....	81
5.2. The Structure of the Contemporary Antiques Market in Russia.....	83
5.3. Market Actors.....	89
5.3.1. Buyers .....	91
5.3.2. Dealers.....	95
5.3.3. Experts and Institutions of Expertise .....	96
5.4. A Fight over the Market for Expertise: Museum Brands vs. New Institutions ...	99
<b>6. Changing the Value of the Past: An Empirical Study of the Valuation of Antiques .....</b>	<b>102</b>
6.1. Formal Criteria for Defining Antiques .....	102
6.1.1. “The Past that is Over”: Temporal Definitions of Antique .....	103
6.1.2. Levels of Artistic Mastery and Rarity as Criteria for Antiqueness.....	104
6.2. What Else Matters? The Typology of Value.....	107
6.3. Authenticating Antique Objects: the Field of Technical Expertise.....	111
6.3.1. Acquaintance with Tools and a Knowledge of Woods: Technical Authentication .....	112
6.3.2. Artist Names as the Markers of Authenticity.....	114
6.3.3. “Biography of a Chair”: Research in Provenance as a Part of the Authentication Procedure .....	115
6.4. What is the Value of Authenticity: Stylistic Reproductions and Copies on the Market.....	117
6.4.1. Replicating the Masterpieces: Creating Valuable Copies .....	117
6.4.2. Modern Copies and Replicas: Technology vs. Mastery .....	118
6.4.3. Ties to the Past: Originals, Copies and Stylistic Reproductions as Competing Products in the Market for Antiques .....	119
6.5. Types of Fakes and Forgery in the Market.....	121
6.6. “Reincarnated Signs”: Personalizing Antiques .....	128
6.7. “Civilizing” People: The Positional Value of Antiques .....	129
6.7.1. Champagne Fountains and Gold vs. Art Deco .....	130
<b>7. Valuation in the Russian Antiques Market: Building Institutions, Preserving Networks and Telling Stories.....</b>	<b>133</b>
7.1. The Antiques Trade as a Quest for Adventure.....	133
7.1.1. How to Embark on a Quest: Market Rules and Practices.....	134
7.1.2. Forgery: an Evil and a Functional Good .....	137
7.2. Increasing Uncertainty? The Danger of Dissemination of Professional Knowledge.....	140
7.3. Networks and Stories vs. Institutions and Expertise .....	142
7.3.1. From Singular Objects to Singular Clients: Creating a Mystery for Everyone .....	145
7.4. Storytelling as Worth Accounting .....	146
7.4.1. Market Stories .....	147
7.4.2. Storytelling: Generating Imaginative Value.....	152
<b>8. The Cognitive Embeddedness of Valuation .....</b>	<b>157</b>
8.1. Antiques as a Representation of Social Order.....	157



8.2. Schemata and Interpretation: How an Antique’s Value Becomes Imaginative	165
8.3. Justifications and Conventions .....	167
8.4. Stories and Discourses: Combining Classifications and Interpretations .....	170
8.5. Uncertainty, Ambiguity, and Confidence .....	173
<b>9. Conclusions .....</b>	<b>176</b>
9.1. Valuation: History, Transformations, and Cognition .....	177
9.1.1. The Importance of the Past .....	177
9.1.2. Uncertainty and Ambiguity .....	179
9.2. Questioning the Russian Antiques Market .....	179
9.2.1. Networks and Institutions .....	180
9.2.2. Uncertain Product Quality Meets the Uncertain Quality of Expertise .....	181
9.2.3. Reputation and Competition in the Field of Attribution .....	182
9.2.4. Exploiting Uncertainty, Promoting Ambiguity .....	183
9.2.5. Creating Discoveries, Telling Stories .....	184
9.3. Beyond Antiques: What Can We Learn From This Study of Other Markets? ....	185
9.3.1. Transformative Context .....	185
9.3.2. Singularities .....	186
<b>References .....</b>	<b>189</b>
<b>Appendix 1. List of Informants .....</b>	<b>198</b>
<b>Appendix 2. Main Questions and Topics for Interviews with Experts .....</b>	<b>200</b>
<b>Appendix 3. Main Questions and Topics for Interviews with Ordinary Buyers</b> <b>.....</b>	<b>201</b>

## List of Tables

<b>Table 5.1. Main Groups of Actors in the Russian Antiques Market</b>	<b>89</b>
<b>Table 5.2. Types of Buyers in the Russian Antiques Market</b>	<b>94</b>
<b>Table 6.1. Types of Worth as Expressed by Informants</b>	<b>106</b>
<b>Table 6.2. Valuation Processes: Authenticating, Personalizing and Civilizing</b>	<b>110</b>
<b>Table 6.3. Types of Forgery in the Antiques Market</b>	<b>123</b>
<b>Table 6.4. Typology According to Authenticity</b>	<b>125</b>
<b>Table 7.1. Main Types of Stories</b>	<b>146</b>
<b>Table 7.2. Stories Contextualized in Russian History</b>	<b>147</b>
<b>Table 8. 1. Stories as Cognitive Supports</b>	<b>172</b>

## **Acknowledgments**

Many thanks to the Max Planck Institute for the Study of Societies, the long journey to completing my dissertation is over. I am very grateful to Jens Beckert, my academic supervisor, who gave me the chance to write this thesis, and who shared with me valuable comments and ideas. When I started my project Sigrid Quack was in charge of guiding my cohort through the process of writing proposals; she was also the one who helped me a great deal by providing comments at the final stage. I would like to thank the members of my academic committee, Patrik Aspers and Michael Hutter for commenting on drafts of the manuscript. Discussions with Brooke Harrington, Guido Möllering, Sascha Münnich and Raymund Werle were very fruitful. They always had good ideas and rescue plans when the need arose. Many researchers who stayed at the institute at different points over the years generously spent their time and efforts in discussions about what ended up becoming this thesis.

This research project crystallized during my stay at the Center of Organizational Innovations at Columbia University in New York, where I was a visiting scholar in the Fall 2009. I am endlessly indebted to David Stark for insightful discussions at the seminars in Economic Sociology and at other COI meetings. My meetings with Charles Smith and Harrison White helped to sharpen several arguments. It was a great pleasure to practice sociological imagination together with the graduate students at the Department of Sociology, and in communications with professors. My special thanks to Raul Barosso for his academic optimism and the discussions we shared at Knox Hall.

My warmest thanks to Hellen Callaghan, Ipek Göcmen, Thorsten Kogge, Olga Malets, Sabrina Zajak, Irene Troy, and Azer Killiç for helping, sharing, and enjoying nice times together in Cologne. Our American reunions, Alpine experiences, and Cologne Karnival were incredible. I am grateful to all of the doctoral fellows at the Institute for stimulating academic conversations and the free time we spent together. The Institute's administration, library, IT service, and publishing office have continued all these years to be the invisible hands of academia, facilitating the perfect working conditions. Their problem-solving abilities and unbelievable friendliness were very helpful.

In the process of conducting research, it was important to have an activity that clears the

mind during the much needed breaks. I would like to thank my friends and teachers all over the world, for practicing aikido with me. I am grateful to the Members of Forum Kishintai in Cologne, and its affiliates, who kindly taught me how to land softly.

Wolfgang and Helga Sodeur became my German family and provided me with emotional and organizational support starting from my very first days in the country. I also owe to them my love for Cologne.

We all have history. Back to the days in Russia; I would like to thank my professors from Ulyanovsk State University and the European University at Saint Petersburg for giving me the right books to read, and for introducing me to the ideas that I really appreciated while writing my thesis. I am personally grateful to Daniel Alexandrov, Igor Kalinin, Oleg Kharkhordin, and Vadim Volkov. I shared an invaluable experience with my colleagues and students from National University – Higher School of Economics in the days when we started the Chair of Sociology at the Saint Petersburg campus. As is everything in post-Soviet Russia, it was a new, turbulent, and exciting time. Since those days my friends and colleagues Natalia Danilova, Tatiana Golova, Olga Gourova and Anna Likhtenstein have always been open for insightful discussions and are there to help. Using all means of communication, Maria Nozhenko, Maria Batygina, Dmitry Chernyaev, Evgeny Chistyakov, Tatiana Saikhanova, Elena and Lidia Kleshchenok, and Oksana Zhironkina were a part of my life all these years and have always welcomed me back to Saint Petersburg.

I would also like to thank my anonymous informants in Russia and Europe, dealers and experts, active and retired, for their trust and willingness to share their knowledge with me. These interviews were possible because of the generous help and efforts of my friends, colleagues, and strangers, who care. Many thanks to Nicole De Cuir who helped me with the language corrections on the final draft.

Finally, but most importantly, this thesis would not be possible without my grandmothers, Zinaida and Alexandra who taught me reading by the age of three. My parents, Tamara and Vladimir Ashlapov have been the loving listeners, critics, and my best friends all this time. I always smile when I think about my brother Mikhail, whose sense of humor and joyfulness always lightens up life. And I want to thank Marijan Sprem for his emotional support and positive thinking.

## 1. Introduction

In one of his short stories, *The Parson's Pleasure*, Roald Dahl describes an antique dealer, who travels the countryside in search of valuable antiques. The dealer's main goal is to persuade the owners of such objects that they are worthless and to then sell them later in his London shop at a higher price. This story about unappreciated treasures is not just a work of fiction. In recent years, treasures, which were discovered in attics, have often been sold at the largest antique auctions in Europe and in the US. On a more conventional level, the *Antiques Roadshow*, a television show that is popular in many countries, relates stories of luck and disappointment. It depicts undervalued stockpiles of antiques collected by families in different countries, which for some reason have long gone unappreciated in terms of their market worth. But, how did these objects become so valuable on the antiques market? Who is interested in antiques, and for what reasons? And finally – how do dealers and antiques experts manage to persuade large groups of people that these objects are really valuable?

As objects from the past have grown in value, a market for antiques has emerged that is continually changing and developing. Antiques are not produced for the market – they are rediscovered, which means that their quality is not standardized. This raises the question of how incommensurable goods such as antiques are valued, when their quality is uncertain. In this thesis I use an empirical study of the market for antiques in Russia in order to find out. The process of valuing antiques that involves appraisal and attribution is an ambiguous one: market actors need specialized knowledge in the field of decorative art and art history in order to make the correct judgments. Discontinuities in historical records mean that this specialized knowledge is often open to debate. What is more, specialized knowledge may be inaccessible to some market actors, or be too difficult for them to grasp in order to be able to make proper use of it. The past has to be taken into account, but it is also inherently uncertain. Thus actors in the antiques market have to cope with more than the traditional problem of uncertainty regarding the future: the discoveries of new artifacts, or just historical facts, can significantly influence the valuation of objects.

The case of Russia is a good illustration of this: during the twentieth century the country experienced a shift, where it went from being an important part of the international antiques market to engaging in a rejection of the past and its artifacts for reasons of ideology. A large number of objects were lost or destroyed and patterns of valuation were shaped by state ideology. Therefore, by the 1990s the antiques trade in Russia lacked institutions and suffered from incomplete information regarding products' characteristics. Such a situation creates the opportunity for multiple and competing judgments regarding objects and their worth.

This work examines the problem of valuation in the market for antiques. It approaches its research aim along three main lines: First, from a diachronic perspective, the evolution of valuation is considered to be a part of a process that reflects social, cultural, and political transformations in European societies. These resulted in the emergence of several systematic and coherent principles for the evaluation of antiques. I use the concept of orders of worth (Boltanski/Thèvenot 2006), which helps to explain the existence of multiple principles of valuation in the market. Second, synchronically, the valuation of antiques is viewed as a complex cognitive process; it requires specialized knowledge and practical skills in the fields of art history and technology in order to make judgments under conditions of uncertainty (Knight 2002 [1921]). Such uncertainty is characteristic of the market context, and applies, in particular, to the quality of specific goods. I refer to two distinctions made in discussions of this problem: between fundamental and procedural uncertainty (Dosi/Egidi 1991); and between fundamental uncertainty and ambiguity (Dequech 2000). Following the latter distinction, I will use the term uncertainty in reference to situations where information does not exist at the time of decision-making, and ambiguity refers to uncertainty about probability, created by relevant information that is missing, but could potentially be known (Dequech 2000: 41). Third, I examine the strategies used by market actors in evaluating antiques as market goods within the case of the Russian antiques market. These strategies are analyzed in terms of general problems of market coordination: valuation, cooperation, and competition (Beckert 2009).

## 1.1. Research Question and Theoretical Framework

The central research question that unites the lines of inquiry outlined above is: *How are antiques valued in situations of uncertainty regarding product quality and in the context of unstable macro-structures?* To answer this question, I will pursue the following research objectives:

1. To give an overview of the diachronic development of value and principles of valuation as part of a civilizing process. The goal is to analyze the impact of these principles on the contemporary antiques market.
2. To show how significant social and political transformations influence the valuation of antiques.
3. To describe the sources of uncertainty and ambiguity in the market, and to analyze the possible strategies used by market actors within this context.
4. To identify the types of values ascribed to antiques by market actors, and to explain the main mechanisms and tools for valuation utilized by different actors.
5. To provide a framework for explaining differing strategies used by actors in the antiques market to cope with the uncertainty of product quality – in comparison to those strategies observed in mass markets.

The main theoretical argument of the thesis is as follows: *In situations of uncertain product quality actors only partly try to reduce uncertainty by any means available within the organized market segment. They try to exploit the ambiguity present in the disorganized market segment with the aim of earning above-average profits.* This line of argument is based on the historical and theoretical analysis of the international antiques market, and is developed within the framework of empirical research on the Russian antiques market.

The creation of a market for antiques generally followed a civilizing process that occurred across Western Europe and in other parts of the world (Elias et al. 1998). Following Veblen (1965) and Bourdieu (1984), I consider the evolution of the antiques market as an issue of social distinction: even in early societies, possessing antiques was a

demonstration of a higher social position, which was often prescribed. Consequently, antiques were used by newly wealthy groups to confirm their achieved status and, in a way, to ‘antique’ their origins. Antiques are thus viewed as the markers of a social class (Goffman 1951), which cannot be easily imitated. Furthermore, handling antique objects presupposes different types of everyday practices, which over time results in patination<sup>1</sup> – this can be physical as well as social. It was not enough to simply possess the objects: skills of recognition, making judgments in terms of an object’s value, and being able to maintain antiques also became the markers of a certain social status. Therefore, it is not easy to transform economic capital into social or cultural capital in this market. This is partly due to the length of time involved in accessing the knowledge and skills pertaining to the valuation and maintenance of the objects.

Market transactions are thus explained as a cognitively embedded process. In general I follow the representatives of the “cognitive turn” in social science (Knorr-Cetina 1981), who describe the cognitive organization of individuals and society as an important intermediary of everyday transactions, particularly in market settings. From the idea of *taken-for-grantedness* in routine interactions on mass markets, they develop a conceptual framework with regard to modes of justification; institutionally linked discourses embodying specific orientations that generate actions and evaluation (Boltanski/Thèvenot 1999); and regimes of engagement (Thèvenot 2007). Establishing conventions for market transactions is crucial to making the latter possible, especially if goods – such as antiques – are not easily described and qualified. The market for antiques is therefore analyzed as a market for singularities (Callon/Muniesa 2005; Karpik 2010). Analyzing antiques as singular goods allows for an understanding of the process of valuation in the market and its controversies.

Valuation in a situation of quality uncertainty is treated here as one of the central problems of market coordination, along with competition and cooperation. In the field of sociology of markets the success of valuation is believed to be possible when market

---

<sup>1</sup> Patina is a tarnish that forms on the surfaces of objects as a result of age and exposure to the environment. An example of this is the sheen that builds up on wooden furniture over time that is produced by polishing.



agents share stable reciprocal expectations shaped by the social, cultural, and institutional macro-structures in which the markets themselves are embedded (Beckert 2009). In the empirical study at hand, I test this line of reasoning based on the example of a market that lacked stable macro-structures as a result of social and political changes, but which still succeeded in assigning value to antique objects. The intrinsic properties of the objects allow for this: antiques are subjected to an on-going process of (re)qualification (Callon et al. 2002). Thus judgments about their values are never stabilized. In other words, there are no conventions about the exact value of any object. I consider antiques to be ambiguous assets and the market for antiques as a space of ambiguity. This is related to the way that David Stark (2009) approaches organizations: in my case actors with competing value judgments are trying to find bargains and increase their profits. They use narratives as specific cognitive supports that stabilize the value of an object in a given transaction, placing it – along with the participants of a transaction – into a fictional historical space (Certeau 1984: 79). Through story telling dealers reframe situations of uncertainty and ambiguity thus creating buyer confidence in their tastes, or social status, and exploiting the imaginative power of the goods (Beckert 2010).

## **1.2. Case Selection and Methodology**

The Russian antiques market was chosen as the main case study for this research project for several reasons: it combines both the specificity of a market as such, with the specificity of a society in transformation. Such a case can aid in the study of *how the transformations of social, political, and institutional macro-structures influence the process of market coordination and, in particular, valuation.*

From a macro-structural point of view, Russia has historically passed through several periods of social and political transformation, and was, at the same time, an important actor in the international antiques market (both legally and illegally across different historical periods). Additionally, the Russian market for antiques is relatively new – compared to that in Europe – and is closed (in terms of export/import legislation) compared to that in the US.

As mentioned in the above, the market for antiques is studied as an example of a market

for singularities; the segment of antique furniture was chosen to capture relevant results. There are two justifications for doing so: First, it is one of the biggest segments of the antiques market and is treated separately in many decorative art directories. Second, goods in this segment are characterized by a high degree of multidimensionality, incommensurability, and uncertainty – in particular, quality uncertainty. Antique furniture is not only a decorative art, it is also an applied art, which means that its production and attribution require specific craftsmanship and skills of recognition.

The following types of data are involved in the analysis:

1. The main sample of semi-structured interviews with market actors was compiled using the “snowball” methodology, with the aim of reaching all types of actors. Access to the field was one of the main constraints of the study, which is why I attempted to take into account as many market actors as possible. First contacts were made with the help of colleagues and were further provided by recommendations made by the interviewees. The core of my fieldwork is based on 25 semi-structured interviews conducted with the following market actors: antique dealers (shop owners, free-lance dealers, their former colleagues), art experts working in the business (consultants at antique galleries, antiques shops), “front-door” sellers of antiques, restorers, and a journalist specializing on the topic. Additionally, I established contact with colleagues working in the field who helped me determine the main direction to take with my field work and who provided me with some secondary data.<sup>2</sup> Data collection took place over the course of three months: from November–December 2008, and once again in May 2009. Two interviews were conducted in Moscow (covering the high-end segment of the market); the rest were carried out in Saint Petersburg.

2. Apart from these data, publications in magazines specializing in antiques were also referenced. In rare cases I used data on companies that were provided in online publications on the Internet. Academic articles analyzing the market in Europe and in the US were used to provide a general description of the international market for art and

---

<sup>2</sup> I would like to thank Larissa Shpakovskaya and Nikolai Kukushkin for insightful discussions and useful hints.

antiques.<sup>3</sup>

### **1.3. Organizational and Methodological Constraints of the Research**

The development of the Russian antiques market in the Soviet Union – as well as its re-emergence in the 1990s – will be thoroughly analyzed in Chapters 3 and 5. Prior to this however, I should point out some methodological difficulties connected with the specificity of its reemergence; namely, in public opinion the market is associated with illegal activities. There are segments of the market that have been known for this since Soviet times: in particular, jewelry and items of religious cult are objects of suspicion. Although the focus of my study was not on illegal activities, and did not concern these objects, it was difficult to gain access to the field. This was exacerbated by a scandal in 2006 surrounding more than 200 objects stolen from storage at the State Hermitage Museum in Saint Petersburg. The objects were stolen over the course of a decade and some of them were later resold through antique dealers. When the case came to light, many dealers reported attempts to sell them stolen antiques or returned the items claiming that they were not aware of their “museum origins”. But the whole story made any inquiry into the antiques business the topic of suspicion. The second problem was that I could potentially become associated with competitors, in particular, from Europe, and my questions could be interpreted as seeking business information. Therefore, it took time to make connections in the market, especially with someone who could introduce me as a trustworthy person, and who could vouch for my purely academic interest in the field.

This context also influenced the types of questions that I could ask dealers and experts: talking about the sensitive topics of crime and fakes was highly undesirable for the overall success of the interviewing process. Many informants refused to be recorded, but some did agree that I could take notes during interviews. Some of those who agreed to this method of interviewing revealed the most interesting information as soon as I switched off the recording device. In contrast to many other social groups, antique dealers do not like attracting any attention to their business, and they often insist that the questions posed in the study either have no answer at all or that this answer is so obvious

---

<sup>3</sup> Author is responsible for the translations of any materials that were available only in Russian. This applies to newspaper articles, academics sources and interviews.

as to not warrant an explanation.

Another problem was connected with the reliability of the information obtained in the interviews. As will be shown in *Chapter 7*, I often heard stories about the market that were related to some historical facts or claims that I later had to verify. This is an example of what Siegel (2008) describes as a methodological problem of gossip and lies that occurs when informants make up stories or simply lie. She faced this problem in a project investigating Russian organized crime in the Netherlands and insists that such lies do not in fact decrease the value of these stories. Instead, they can help to better understand the cultural backgrounds and identities of the informants. Additionally, she refers to studies in criminology that show that gossip can play “a functioning role in uniting people and in the exertion of social control” (Siegel 2008: 27). Gambetta (2009) emphasizes the role of storytelling in spreading general information about the underworld.

One of the stories repeated most often in my interviews claimed that many pieces of furniture from the State Hermitage Museum were burned in the 1920s and 1960s because they were considered to be of no value and took up too much storage space. Later on no official information was found to prove this fact. I believe that such stories describe the attitudes and judgments of experts concerning more general processes: in this case, the process of depreciation of antiques by the state. Therefore, in *Chapter 7* I make a distinction between stories about the market that are normative and restrictive, and stories about objects that involve judgments of value.

#### **1.4. The Structure of the Thesis**

Starting with the development of the antiques market in Europe, I discuss key historical periods: First, when interest in the past emerged, followed by the interest in artifacts from the past. The second period arose when this interest spread across social groups and became a matter of demonstrative consumption. A third took shape when the modern market for antiques started to compete with financial markets for returns on investments. These periods were identified for the case of the Russian antiques market, which is, on the one hand, part of an international art and antiques market. On the other hand, it has a

specific history that repeats the patterns observed in the international market, but in a more condensed form: over a shorter period of time, and often in a more striking way.

*Chapter 2* is devoted to a diachronic analysis of antiques valuation. Key periods in the history of the antiques trade are part of a civilization process: antiques embody accumulated meanings that are constructed through this civilization process. Therefore, their age has an impact on their value: “An antique is a primarily handcrafted object of rarity and beauty that, by means of its associated provenance and its agedness as recognized by means of its style and material endurance, has the capacity to generate and preserve for us the image of a world now past” (Rosenstein 2009: 14). Following Appadurai (1986), I consider antiques to be rhetorical and social goods.

Many antiques were already highly valued at the time of their production. They could serve as sacral (icons), functional (furniture), or status (art) objects. In many cases they simultaneously serve as all of the above. Originally belonging to representatives of the leisure class as items of luxury, these objects were indicative of high social positions. Due to such associations they not only became status objects, but also the objects with the status. Being produced and handled in certain historical arrangements, they became the witnesses to important historical events, or of a specific historical atmosphere. Antiques became desired objects for the purposes of interior decoration and for collecting: antiquarianism and collecting were an important step in raising the value of the artifacts and in creating demand for such objects.

Intellectual interest in antiques increased in the Renaissance, this stimulated not only a growing demand for artifacts as decorations or collectibles. It also had an impact on appreciation and attribution of antiques and the development of expertise in the field. During the Industrial Revolution, interest in European history intensified and spread to different social groups. Antiques became domestic objects: growing demand prompted a rise in the number of actors on the supply side, and the market emerged in its contemporary form. As the trade in antiques intensified, antiques gained in value not only socially and culturally speaking, but also from an investment point of view. Similar to what happened in other European countries, several social and political processes

occurred in Russia that influenced market development (social transformations, ideological changes, wars and revolutions). However, Russia is a special case because these processes took place over a relatively short historical period. Multiple phases of significant social and political transformations influenced supply and demand as well as the valuation of antiques in accordance with the dominant state ideology. The Russian case will be analyzed in more detail in *Chapter 3*.

From a diachronic perspective, the values assigned to antiques did not substitute one another: once specified they were sustained and were later used simultaneously. This created a unique situation within the antiques market: the value of these objects is so complex that they can never be devalued completely and are considered to be unique. Yet, this creates ambiguity in the process of valuation. First, in instances when there are various valuation criteria at play, it becomes difficult to compare the values of several different objects. Second, it is difficult to define qualities of goods that are rhetorical and social (Appadurai 1986), and thus to judge their quality. The antiques market is therefore one of the examples of a market for singularities, where goods and services have special characteristics: multidimensionality, incommensurability, and uncertainty (Karpik 2010).

The market is embedded not only in the individual perceptions and attitudes of consumers, but also in the whole array of knowledge that constitutes cultural memory. One of the features of cultural memory underlined by Assmann and Czaplicka (1995) is the fact that: “each contemporary context puts the objectivised meaning into its own perspective, giving it its own relevance” (Assmann/Czaplicka 1995: 130).

In the market for antiques, actors have to cope not only with the traditional problem of uncertainty regarding the future – at the same time the past is also uncertain. Discoveries of new artifacts or even historical facts can significantly influence the valuation of the objects. Thus in *Chapter 4*, I discuss how quality uncertainty is one of the main characteristics of antiques that influences their valuation. These pieces, which I will also refer to as objects from the past, were initially produced as luxury or household goods and were recognized as antiques at a much later date. Consequently, we cannot attribute to these goods the same quality judgments that were made at the time of their production,

these judgments have to be formed within specific contexts.

Given the above-mentioned characteristics of antiques, I address the market as operating under conditions of uncertainty; this is defined by Knight (2002 [1921]) as a lack of information on which the calculation of probabilities can be based. Different authors refer to epistemic (Dow 1994), substantive and procedural (Dosi/Egidi 1991), fundamental (Dequech 2000) uncertainty, or uncertainty connected to complexity (Beckert 1996). They analyze it in situations where there is lack of available data, where actors are unable to measure certain variables (for instance supply), and where there are limitations to their ability to consider all of the details needed to confirm the piece's authenticity. Ambiguity is the second concept that is introduced here in relation to valuation within the market for antiques. This refers to the missing information that could be known (Dequech 2000: 41). This can be information about the origins of objects, or their incomplete records of ownership, which could potentially be known, but are in parts missing at the time of valuation.

Sources of uncertainty in the antiques market are thus characteristic of the existing knowledge about the objects of the past. Market actors and economists make attempts to reduce this uncertainty, in particular in the organized and highly institutionalized market segment represented by international auctions and other organizations of the antiques trade (Coffman 1991). An important market feature, however, is that actors also exploit uncertainty in their entrepreneurial strategies and favor ambiguity in order to increase profits. Ambiguity is determined not only by incomplete information on product quality, but also by the multiple identities assumed by market actors. They intentionally “forget” or “remember” information about objects that can influence their value. This is more common for the disorganized market segment that is represented by small dealers. The argument outlined in the above regarding the exploitation of ambiguity as a central market strategy for situations of uncertainty is developed further in *Chapter 4*.

Thus mechanisms that allow actors to exploit the ambiguity and value of objects in situations of quality uncertainty are to be expected. In *Chapters 5 and 6*, I examine these mechanisms within an empirical case study of the Russian antiques market. First, I will

recount how the Russian antiques market is characterized by ongoing attempts to institutionalize and formalize the market under conditions, where product quality uncertainty, distrust, and the weakness of institutions constitute the main barriers to the market's further development. Second, I analyze the mechanisms of valuation in the market based on interviews with different market actors, while emphasizing that antiques are multidimensional objects (Karpik 2010), and their valuation is based on different criteria.

Some of these criteria are considered to be relatively objective and are developed and supported by institutions of art history research and by technical expertise. The second group of criteria is more subjective and consists of judgments of value related to personal, social, and cultural values. Both types involve three main stages in the process of valuation: authentication, personalization, and civilizing. During the first stage material qualities are assessed and a verdict is reached relating to the object's originality and provenance. The second stage places an object within the context of an individual's personal situation; here an attempt is made to attach it to a new owner by means of sentiments and personal attitudes. Finally, the term civilizing is used to refer to where objects situate their owners into different spatial and historical arrangements that are important not only for them personally, but which also serve to influence their social standing. Antiques play a role in education and in the relaying of manners, as is described in relation to the European nobility (Elias et al. 1998).

Possessing antiques also signals a certain level of cultural capital. Authentication is dependent upon institutions of expertise and is thus influenced by the Russian institutional context. Personalization and civilizing involve judgments of value made by experts, art historians, the media, and by clients themselves. Therefore, a certain device is needed to combine these three stages into singular market transactions. Stories became market tools that are used to prove the worth of an object: they help market actors deal with ambiguity and to account for the worth of antiques. The role of storytelling is discussed in *Chapter 7* along with an analysis of the Russian antiques market as a game – in which a player's skills of recognition is the key to attaining the desired prize. The entire market operates as a sort of adventure, where there is no certainty regarding supply,



demand, and quality, but instead involves high amounts of risk, and the potential for striking gold. Storytelling is an important activity for market actors; (Re)telling or inventing stories allows dealers to shift objects within and across market segments. Storytelling serves the same function as bookkeeping in traditional accounting: stories account for the worth of an antique or often generate its value. In *Chapter 8*, I frame the empirical findings in reference to theory by relating this back to the ongoing discussion on market coordination and its cognitive embeddedness. An important feature of storytelling is thus its ability to overcome the problem of uncertainty not by reducing it (partly because it is not possible to significantly reduce uncertainty in this market), but by creating consumer confidence. By buying antiques, individuals (re)confirm their identity, as well as their position in the social and historical context, although this is sometimes a fictional space (Certeau 1984). At the same time, the market remains ambiguous and enables sellers and experts to achieve high returns, while the thrill of mystery is retained for the sake of (adventurous) buyers.

## **2. The Value of the Past: The Emergence and Development of Interest in Antiques in Western Europe**

As such, the aesthetic appreciation of the antique is not merely a means toward civilization but an end of it and a form of it. (Rosenstein 2009: 202)

Interest in objects from the past emerged long before the contemporary market for antiques. In this chapter, I trace the evolution of essential criteria for valuation that are used in the contemporary antiques market: sacral, material and symbolic, historical (as a witness to the past), aesthetic (as classified by experts), cultural (as a matter concerning national heritage), sentimental and market values. Pointing out three historical periods, I show how these basic criteria for determining value emerged and how this process was connected with social, cultural, and political transformations in different European countries.

Following Rosenstein (2009), I analyze on an abstract level the development of the concept of antiques as part of a civilizing process, where antiques are considered to be its artifacts: “the antique becomes a tangible locus of preservation for the process of civilization, enabling us to see the antique as a function of civilization (civilization ‘antiques’ itself) and to see civilization as a function of the antique (the antique ‘civilizes’)” (Rosenstein 2009: 190). On a societal level, I approach the formation of interest in antiques as linked to systems of stratification and processes of social mobility: antiques can indicate as well as assign social status. From this standpoint, the emergence of the antiques market is then a particular outcome of historic developments. I start my analysis with the type of general interest in the past that was common in ancient Egypt and Mesopotamia where antiquities were valued as sacral objects. I then describe attitudes in ancient Greece and Rome towards objects from the past, proceeding on to the formulation of the concept of antiquities, and the humanist interest therein, that was prevalent during the Renaissance. This is followed by a discussion of the antiques market in the second half of the nineteenth century.

## **2.1. Bringing the Past into the Present: The Evolution of the European Concept of Antiques and Their Value**

Throughout history, objects from the past have represented the high social status of their owners as well as being representative of different historical epochs and events; therefore becoming material bearers of cultural memory. Since ancient times, and even up to the present day, possessing these items has helped individuals and social groups to (re)construct and reinforce high social positions, or to recreate the (historical) atmosphere of remote epochs. This atmosphere might have a sacral religious or political character: in any case it is considered comparatively better than that of the contemporary times, and is thus desirable. Antiques also become objects that help individuals and groups to stabilize and/or achieve high status positions within the social hierarchy. As a consequence they enable social mobility that then results in a rise in the demand for antiques. This expansion in demand plus the subsequent increase in supply were prerequisites for the market's inception.

### ***2.1.1. Early Forms of Sacral, Social, and Material Values of Antiques***

The origins of interest in objects from the past can be traced back in history to initial understandings of such items as desirable sacred objects. These objects were, however, not valued for their age, but for other reasons.<sup>4</sup> Trigger shows that for much of human history interest in the past was satisfied by myths and legends “concerning the creation of the world and chronicling the origins and adventures of specific ethnic groups” (Trigger 2006: 41); while initial interest in artifacts and ancient buildings “came to be valued not only as relics of former rulers and periods of political greatness but as sources of information about the past” (Trigger 2006: 43). This sort of interest in the past can be traced back to ancient Egypt and Mesopotamia. It had, according to the author, a strong religious component: “[T]he monuments, as well as written records of the past [...]

---

4 The earliest known cases of plundering during the antiquities are described in Miles (2008: 16). For example, the stele of the Akkadian ruler Naram-Sin was kept in the city of Sippar (on the Euphrates River southwest of the modern Baghdad) until around 1150 BC, when that area was invaded by Elamites from southwestern Iran. The latter took the stele to their capital city, Susa, located in present-day Iran. The empire collapsed shortly after the death of its ruler. In the surviving writings from this period, this collapse was equated as a punishment for destroying temples. Also recorded in Western literature as a myth is the account that the city of Troy was successfully defeated because a pair of Greeks (Odysseus and Diomedes) managed to steal the Palladion, a small wooden armed statue of Athena that protected the city (Ibid: 20).

constituted tangible links to eras that were closer to the time of creation and, hence, provided the models by which the sacred prototypes of civilization could be more nearly approximated” (Trigger 2006: 44). Therefore, this ancient interest and research into artifacts from the past can be regarded as constituting an early form of antiquarianism.

The origins of exchange systems prior to the establishment of an institutionalized market for antiques can initially be traced to periods of conquest. During these periods, artifacts from the past were relocated from one territory to another and changed hands between different actors on a larger scale than was common in the periods of relative peace. Many such objects contained precious stones and metals, and were thus considered treasures, while other objects had sacral meanings. At the same time, attaining such objects as war trophies was a demonstration of courage and power, which served in military societies to enhance the social status of heroes.

In ancient Rome this phenomenon was a classical case of a developing interest in antiquities driven through plundering activities, which subsequently led to a growing interest in collecting and to the formation of the first market features in the antiques trade. The practice of plundering was important historically for two reasons: a) trophies were used as demonstrations of courage and thus promoted the upward social mobility their bearers; b) the identity of a defeated enemy was destroyed; c) by taking possession of cultural artifacts from defeated parties, plunderers spread the objects over a larger territory; and d) the acquisition of antiquities by a growing number of citizens induced connoisseur-like interests in objects from the past and the development of collecting. The violent redistribution of antiquities was one of the necessary preconditions for stimulating greater interest in them, since it made the possession of antiquities possible for a broader population.

### *Trophies as Status Symbols*

As pointed out by several authors (Miles 2008; Christian 2002; Andrén 1986), Greek art arrived to Rome in large quantities in the form of plunder as a result of the (mainly) military expansions to southern Italy and Sicily and then into mainland Greece (two of the most famous campaigns were the Sack of Syracuse in 212 BC and Corinth in 146

BC). The first examples of dealing in antiquities on a systematic level are reminiscent of the redistribution practices of non-market economies, but were not limited to this: “a portion was usually dedicated to the gods; the sale of captives provided slaves ubiquitous in society; money helped fund the army and state treasury; and other Greek statues, paintings, furniture, tapestries, dishes, clothing, and jewelry were eagerly sought by the wealthy” (Miles 2008: 2–3). Even in this period antiquities were included in market exchange processes.

It was not just a matter of selling plunder – ancient Rome had a market for antiques that exhibited similarities to the modern art market. Rosenstein (2009) shows that features associated with the contemporary idea of antiques existed in imperial Rome: “social status in their ownership, specialized dealers providing antiques at high prices and specialized techniques of imitating (and/or forging) them, questions of provenance and prestige associated with owning the works that famous artists of the past had made or famous persons in the past had owned, and laws prohibiting the export of masterpieces” (Rosenstein 2009: 51). He also underlines that by the first century B.C. the upper classes in Rome had developed a taste and passion for objects from past cultures. Not only were Roman antiques valued, young Roman citizens also traveled to Greece, Africa, and Asia Minor since travel abroad was considered the best strategy for acquiring new items. Taste in the form of connoisseurship and practices of collecting developed in this period.

Andrén (1986), referring to the writings of Pliny and other authors of the antiquities, depicts the history of wars between the Greeks and the Romans as involving a series of significant appropriations of art masterpieces. Pliny, in his *Naturalis Historia*, shows the extent to which a wealth of Greek masterpieces was present in Rome in the first century A.D., “owing to the activities of victorious generals, splendour-loving emperors and rich collectors” (Andrén 1986: 11). During this period, one of the public buildings in Rome – the Saepta Julia – housed a bazaar for luxury goods, arts, and antiquities. As Rosenstein (2009: 53) points out, some of them were falsely assigned to popular artists and had undergone low quality restorations. In the area around the Villa Publica one could also find auctions organized by art dealers, booksellers, and antiquarians.

### *The Beginnings of Art Collecting*

In different historical periods from ancient Rome to the regimes of Napoleon and Hitler, one of the factors simplifying collecting was the possibility of seizing such treasures as a simple right of conquest (Keen 1971). The earliest recorded evidence of serious collector interest in antiquities can be dated back to the 1<sup>st</sup> century BC in connection with the prosecution of Gaius Verres, a member of the Senate, and the governor of Sicily (Miles 2008). Aside from his infamous treatment of the citizens of the island, he was also accused of the systematic misuse of religious and public objects. Verres stood trial for extracting these objects from public and religious settings for the sake of building his own private collection, thus gathering them with a “connoisseur’s attitude” (Miles 2008: 10). “[A]ntique statues are the foremost category desired by Verres, but he also wanted paintings, tapestries, and special garments; vessels of every sort, made of gold, silver, or bronze; and lots of ornate and luxurious furniture” (ibid.). Thus after a certain point the collecting mania spread beyond emperors, also affecting the ordinary public. “Strabo narrates (VIII, 6, 23) how Caesar’s veterans in Corinth destroyed the ancient tombs of the devastated city to get hold of their clay and bronze vases, which were sold as *necrocorinthia*, ‘Corinthian death-vessels,’ in the antiquarian market established in Rome, where they fetched such high prices that Tiberius, according to Suetonius (*Tib.*, 34), proposed a regulation of these commerce” (Andr n 1986: 9). The first century BC is the first period when art objects start to acquire an aesthetic value, “however, throughout the antiquity, any aesthetic valuation tends to be subordinate to other religious, social or political values” (Miles 2008: 13).

The idea that plundering was the origin for collecting is doubly interesting for the valuation of antiquities. First, it means that the objects were redistributed on non-market grounds, and this fact could later instigate a new round of discussions about the value of a given piece. Second, the nobility, in particular generals, who acquired antiquities in large amounts, acted as an example for their subordinates. Soldiers realized that art objects had high value and started to steal and resell them in Roman cities to ordinary citizens. This increased both the supply and the demand for these objects. Later on, interest of an intellectual nature would also add to the popularization of collecting antiques.

Along with their valued status as trophies, in some cases objects from earlier cultures were valued for their oldness. Rosenstein (2009), referring to Cicero, shows that not only the inherent material values of gold, silver, or gems were important: “old furniture” was also appreciated. The objects desired by the Romans were “required to be old, to show signs of agedness, and if at all possible to show the mark of an ‘old master’” (Rosenstein 2009: 53). They had even greater value in cases of known history or provenance. This was still not the contemporary model of antique valuation, but there were already some details of provenance – the names of the author and the possessor – that were important for judging the value.

Thus, in the Ancient Rome we can already observe the following types of value assigned to antiques that led to the appreciation of objects from the past: value as sacred objects and status value (in earlier periods), value as luxury (in the case of precious metals), value as “old” (featuring the signs of patina, and the name of the artist), and the aesthetic value (involving a “difficult” craft). However, as Rosenstein (2009) mentions, there was almost no theorizing in the form of “defining the antique itself and developing a theory to explain their unique status as objects of taste and appreciation” (Rosenstein 2009: 55). The growing value of these objects was illustrated by increasing problems of misattribution and counterfeiting that became components of the market’s development during this historical period.

After ancient Roman times, when significant attention was paid to antiques, these objects were subject to a different kind of attitude in the Middle Ages. As Rosenstein (2009) describes it, in Late Medieval and Early Renaissance Venice, as well as in other cultural centers in Europe where wealth was concentrated, “collecting was primarily a reflection of unselfconsciousness aggrandizement and love of the visually astonishing and extraordinary made possible by new prosperity – *not* part of a program of inquiry, leading to scholarship, taste, and connoisseurship” (Rosenstein 2009: 65). Although there was some appreciation for these objects, this was not developed into any coherent system of meaning. Starting with the Renaissance time, and especially in the seventeenth and eighteenth centuries, special attention was paid to agedness that then became a decisive feature of an antique’s value.

### ***2.1.2. Renaissance Mentality and the Birth of a Systematic Understanding of Antiques as Old and Rare***

Serious scholarly investigations of classical antiquity were characteristic of the Renaissance mentality (Rosenstein 2009): in this period all of the types of values assigned to antiques that had already emerged in Ancient Rome were systematically approached and studied by representatives of the intellectual elite. Objects from the past were highly valued by Greek scholars in particular, they expressed “fascination with and passion for ancient Greek art objects *as aged* objects” (Rosenstein 2009: 67). In conjunction with this, economic growth created new groups of people who were interested in possessing antiquities as part of a strategy for becoming members of high society.

The beginning of antiquities collecting, as pointed out by Christian (2002) in her research on fifteenth and sixteenth century Rome, was accompanied by three different phenomena. First, collecting has long been used as a hallmark in the definitions of the Renaissance as a historical period. Second, collecting “signals a type of understanding, which might be called ‘art historical’. It recognizes art objects as worthy testimonials to past cultures and assumes that these objects should be preserved for posterity” (Christian 2002: 20). Third, it intersected with a period of intensified appreciation of classical texts. Rosenstein distinguishes between three stages of antiquities collecting in the Early Renaissance: “From a few unique and exemplary individuals (1300-1360), to an elite group of like-minded connoisseur-collectors (1360-1420), to a popular activity, indeed, a public vogue and craze (1420-90)” (Rosenstein 2009: 70).

Beginning around 1450, there was explosive growth in collecting in Rome (Stenhouse 2005; Christian 2002; Findlen 1998). Antiquities entered the domestic sphere in Rome in the period between 1450 and 1530 through two major channels: first, through the humanist interests of the educated part of the population, and second, through the formation of “ancestor” collections by the native nobility (Christian 2002). Historical interest emerges during this period that dictates the historical and cultural value of antiquity.



Initially interest in antiquity was directed at classical literature that contained the values and wisdom of the past. Later this interest spread to physical objects, and first of all, to sculpture. Enthusiasts wanted to recreate a periods' *Zeitgeist*, or an atmosphere similar to that of the past by reconstructing the material surroundings. Rosenstein (2009) underlines the similarity of the pattern of preference in appreciation and collection of the works of art and antiques between the classical Roman world and a period of transition from the Late Medieval to Early Renaissance:

This pattern of progression in appreciation begins with the religious relic, then advances to trophy of war or other historically significant event or person, to treasure (of gems and precious metals) or rare and astonishing artifact, to literature and books, and then to sculpture (and painting). (Rosenstein 2009: 68)

The analysis of classical texts was followed by excavations of material artifacts. Antiquarianism, as the intellectual “lifestyle” carried out in close cooperation with historians, raised the value of objects from the past by making them the sources of evidence for historical writings. References to Roman history, to the glorious victories, heroes, and all that connected with “the memory of great deeds” (Christian 2002: 19) were depicted in classical texts – and in the antiquities themselves – and thus became examples for the Renaissance Romans who wished to imitate such attitudes and patterns of behavior. The end of the fourteenth and beginning of the fifteenth centuries are considered to have witnessed the “era of collecting” (Christian 2002: 19; Stenhouse 2005) and re-using of antiquities. The past, as Rosenstein (2009) shows, “was to be *used*, not merely imitated – but reawakened in the life of the present” (Rosenstein 2009: 74). This reawakening of the past, he notes, became typical to the lifestyles of those who had material wealth. Artifacts were thought to inspire images of “glorious times” and “great men”:

Similar rationales for collecting images of “the ancients” are present in the early Quattrocento humanist dialogues, when scholars began to place images of ancient “great men” in their studies [...] Significantly, in locating the place where sculpture collections first formed in Rome, the studiolo and the library were primary stages for the admiration of the sculptures and other antiquities. (Christian 2002: 23)

In Florence, texts from antiquity were discussed within circles of experts or “at least enthusiastic amateurs,” those “in the know,” such as epigraphers, scholars, and also artists

(Christian 2002: 29). Intellectual interest in antiquities was responsible for a growing demand for artifacts and accompanied their increasing social value.

Competition amongst native clans for supremacy in Rome resulted in the establishment of a second pattern of collecting habits. As Findlen points out, “[w]hile medieval Europeans also privileged a variety of objects – ostrich eggs, jeweled goblets, relics, and the like – they did not give those things that increasingly defined the Renaissance investment in culture – antiquities, ancient manuscripts, paintings, and sculptures – the same degree of prominence. Such objects became meaningful in a succession that defined not only their initial hierarchy of value but also their place in shaping genealogical narratives about what it meant to possess the past” (Findlen 1998: 86).

The concept of the past as a central category to the appreciation of antiques emerged in the early Renaissance: “Being over, history leaves a residue that cannot ever be assimilated into the present in such a way as to be *freed from its pastness*” (Rosenstein 2009: 89, emphasis in the original). First of all, this meant that the contemporary world could no longer produce works equal to those of the past; consequently objects of the past became rare in the sense that they had unique origins, history, and thus value. This period was an important turning point that marked the emergence of concepts still used today in the process of valuation: *provenance* (known pedigree) and *patina* (physical evidence) have since then become a part of aesthetic appreciation (Rosenstein 2009).

Therefore, the early Renaissance was the period when an aesthetic appreciation of antiques developed significantly. Patina as a type of physical evidence became an element of the aesthetic experience. Parallel to aesthetics, the symbolic value of antiques was enhanced by the fact that the past was a non-reproducible phenomenon: “[T]hose of its objects that had endured through time into present could enable our imaginations to evoke through them an image of a world gone by” (Rosenstein 2009: 89). During the medieval period these objects lost their importance as works of art or as luxury goods, and this created an opportunity to rediscover them in a new way as part of new, specific Renaissance consciousness.

However, not only Popes and noble families were actively involved in collecting: with the intensification of trade, which was one of the characteristics of the Renaissance period, new groups of people expressed their interest in objects from the past. These families, or the “new men,” made their fortunes through trade (in cloth and pharmaceuticals), banking, estate farming, and in offices in the papal curia.

While antiques were important for the representatives of the nobility – as objects that reconstructed their origins – new collectors used them in a different way. The ability of antiques to legitimize a higher social standing was actively used to create fictive identities. By the Late Renaissance connoisseurship was widespread, and by the end of the eighteenth century this led to a higher appreciation of decorative arts as antiques: more objects from a larger number of countries had become part of collections across Europe.

### ***2.1.3. The Spread of Interest in Antiques Across Europe in the Seventeenth and Eighteenth Centuries***

At the end of the seventeenth century it was common for members of the northern European (mainly British) ruling and aristocratic classes to embark on journeys, called the Grand Tour. One of the purposes of the Grand Tour was to visit the sites associated with classical literature and culture. They believed that a better understanding of the works of classical authors could be obtained only in the same physical surroundings. Involved in excavations and also exhibiting some antiquarian interests – they became agents responsible for bringing more than just a knowledge of antiquity to their home countries. The Grand Tour permitted the first intensive export of antiquities to these countries as well as serving to intensify the market for antiquities within Italy. They “adorned their country houses with ancient marbles which they had bought in Rome, from owners of antiques in need of money and with the help of local advisers and middlemen” (Andr n 1986: 25). During this period Italian and Greek art and artistic traditions first spread in significant quantities further into Northern and Eastern Europe.

A large-scale hunt for antiquities only started in Greece in the last two decades of the

eighteenth century, “soon taking a character of a competition between prominent and enthusiastic Englishmen, Frenchmen and Germans, assisted by agents and collaborators of different professions and nationalities. It is a story of rivalry and intrigue among the hunters, of pressure and bribery exerted upon Turkish authorities, who were always willing to take good sums of money for allowing infidels to carry away old rubbish left behind by heathens” (Andrén 1986: 33).

Rosenstein (2009) describes that by the eighteenth century there was a serious increase in collecting art and antiques across a much wider territory than during the Italian Renaissance. According to him, “collection of exotica and the imaginary universes they inspired were a passion of European society” (Rosenstein 2009: 86). The interest in objects from classical antiquity was complemented by a passion for exotic goods and objects of art from other countries, in particular, from China:

The consciousness of the collector could move ‘imaginatively through space and time across the scale of world history’ because there was now an international, indeed a global, market to supply connoisseur-collectors who were developing a keen historical and cultural sensibility [...] This consciousness and sensibility would underlie an eventual ability, for example, to appreciate a Ming dynasty bronze temple bell for what it imaginatively evokes of its own past civilization and for the role it plays in the life-world of the connoisseur who aesthetically engages in his contemporary world. (Rosenstein 2009: 86)

By the end of the eighteenth century interest in antiques had reached large groups of collectors and connoisseurs, the number of objects of interest was also growing, and the need arose to find systematic principles of valuation as well as grounds for the comparison of antiques. In other words, the formation of a general understanding that antiques are valuable necessitated the creation of a set of criteria that could help to define the worth of these objects.

#### ***2.1.4. The Beginnings of a Systematic Study of the Past: Classifications and Styles in Archaeology and Art***

Although intellectual interest in the past was already known in ancient Rome, it expanded significantly during the Renaissance. This was primarily due to political change, particularly the rejection of feudalism, in the period of time between the Middle Ages and the Renaissance. Members of the elite wanted to omit all that reminded them of their

recent past and to trace their roots to a more remote past, which offered a more acceptable form of political rule and for the constitution of society (Trigger 2006). Classical texts were used as sources of information about the past, and antiquarianism was initially associated with their analysis. Excavations of material artifacts added value to historical studies and laid the basis for the development of classical archaeology. While re-created histories and assumptions made on the basis of textual analyses were imprecise and often contradicted each other, material artifacts helped authors to write more accurate accounts of history. With the increasing number of excavations the need for a system of classifications grew, and antiquarians made the first attempts at identifying principles for the classification of artifacts.

Up to the present day there are still discussions in the field of archaeology about two issues that are crucial to the understanding of valuation of antiques: first, principles of classification (periods and styles) may have an impact on judgments of value for given objects. And second, characteristics included into classifications, and the way that scholars approach them, are the central problems in the field of art attribution. As indicated by Whittaker (1998: 130), these discussions are concerned either with the typology itself or with the classification process. In what follows, I will first discuss the evolution of classifications in the field of art and how their formation has influenced the appreciation and valuation of art. The second concern, regarding the process of classification, and its impact on the attribution of art and antiques, will be discussed in Chapter 4 within the bounds of an examination of quality uncertainty.

In the Renaissance the interest in antiques brought about not only a growing demand for artifacts but also triggered the development of expertise in the field of their appreciation and attribution. Recognition of stylistic trends made it possible for art historians to date ancient sculptures without reference to textual data (Trigger 2006: 57). The most famous work in this regard is Winckelmann's "*Geschichte der Kunst des Altertums*" (History of Ancient Art), which was published in 1764 and was the standard work of reference on art of the ancient world until the nineteenth century. Although the methodology used by Winckelmann was criticized by many of his successors, he was acknowledged for making the first attempt to discuss the factors that influenced the development of classical

sculpture: social conditions, climate, and craftsmanship. He also tried to define ideal, “and in his opinion eternally valid, standards of artistic beauty” (Trigger 2006: 58). Starting with such classifications it became possible to attribute different objects to a certain period according to their material qualities even without having any textual evidence. Winckelmann’s example was followed by other art historians like Henrich Woelfflinn, who also worked with stylistic criteria and tried to trace the systematic patterns that indicated the rise and decline of different styles.

Principles and systems of classification that were introduced in the eighteenth century have influenced the valuation of antiques until the present day. Furthermore, growing expertise and the creation of systems of classification led to the institutionalization of art history (Trigger 2006), and the establishment of institutions legitimized to make judgments of value and impart expert knowledge about art. Systems of classifications are used for the attribution of pieces of art to certain historical periods: this made the detection of copies, repetitions, and fakes possible based on the knowledge of stylistic characteristics of given periods, and their repetitions. Styles come into fashion or become depreciated, but remain relevant for making judgment about value.

The emergence of central types of values assigned to antiques, supported later by systematic interest in their origins and aesthetic led to the institutionalization of the field with the help of achievements in the disciplines of archaeology and art history. This gradual institutionalization of the field, which was driven by the community of connoisseurs, political and economic elite, was responsible for rapidly transforming the market for antiques into its contemporary understanding: with main groups of actors, institutions, and specificity.

#### ***2.1.5. Trade and Sentiment: The Antiques Market in Nineteenth Century Europe***

In different historical periods economic developments, such as an intensification of trade or financial crises, have caused changes in the patterns of social differentiation, and increased social mobility. Individuals and groups that experience upward social mobility need to provide evidence that they hold these new positions legitimately. As already shown, antiques have been one of the markers of high social positions since ancient

Roman times, and thus serve as a tool for legitimizing newly achieved statuses as well. Therefore, consuming such goods has become one of the ways to stabilize social positions that are either prescribed or achieved.

As MacCracken (1990) shows, patina, the material evidence of the age of an object, “served as an invaluable gatekeeper, controlling the status mobility that has been endured and encouraged in the rapidly changing West” (MacCracken 1990: 35). The author underlines that patina was a visual proof of status. “Its function is not to claim status but to authenticate it” (MacCracken 1990: 32): even in the sixteenth century possessing antiques with proper patination was “proof of the family’s longevity and the duration of their gentle status” (ibid.). Those who were trying to counterfeit their genteelness were identified and punished. However, in the eighteenth century the appearance of a consumer society and rapid changes in fashion put an end to the idea of patina as a symbol of status representation.

Suddenly, high-standing individuals could find more status in things that were new than in things that were old. Worse than this, the new concern for fashion in houses, furniture, cutlery, silver, and pottery meant that high-standing individuals were throwing over objects that had patina for those that did not. (MacCracken 1990: 39–40)

#### *The Growth of the Middle Class and the Birth of Household Antiques*

Newly produced furniture was more valuable for the majority of the middle class citizens until the middle of the nineteenth century. Shops for second-hand items did exist, but they were not held in high regard. “China mania” was one of the first trends within middle class appreciation of antiques and this even spread to “ordinary folks” on a larger scale: the taste for the old expanded in the realm of small household wares in the middle of the nineteenth century (Cohen 2006: 149). It soon spread to silver, and to furniture: *The Connoisseur* was founded in 1900 as the first exclusive organ of the antiques trade.

In nineteenth century Europe consumption intensified in general as a consequence of mass production. Simultaneously, interest in antiques intensified as a result of dissatisfaction with modern products and as a response to the overall transformation of time and space in the world (Cohen 2006). Apart from the quality of modern products, the

issue of distance between the object, its creator, and its owner became increasingly important. Rosenstein interprets Benjamin's (1936) concept of "aura" in the following way: "only if an artwork is a unique and concrete historical production can the viewer confidently 'invest' the work with the intentions (meanings, proposals) of its creator and its time, and thus can engage in an imaginative dialog with its creator that is anchored in an authentic, an 'owned' entity" (Rosenstein 2009: 127).

Auslander (1998) demonstrates how the household is then understood as an indicator of the social positions held by individuals. Thus investments in "proper" household furnishings, in particular furniture, grew significantly in the eighteenth and nineteenth centuries. Rosenstein (2009) considers the emergence of a large middle class of consumers and the appearance of the nuclear family as important developments for the understanding of antique valuation. Mass production, migration of people to the cities in the search of employment, as well as the consequent loss of traditional connections to their extended families and to the heritage of small communities created a special socio-economic climate after 1848, with its emphasis on equality, democracy, individualism, autonomy, and self-determination. Rosenstein underlines that these all "created the psychological conditions necessary for the eventual need of individuals deliberately to acquire a common heritage, even if only an imaginary one" (Rosenstein 2009).

In 1870 an English reform bill introduced compulsory elementary education, which enabled many to learn more about the past, and art. "With this knowledge (and the imagination it could inspire), and with newly available capital as disposable income, many more could possess the past in the form of its antiques, and they avidly sought to do so" (Rosenstein 2009: 124). Cohen provides evidence for this process with data on the London antiques trade: from just 21 "Antique Furniture Dealers" registered in the London trade directories in 1870, the number grew rapidly and by 1910 had reached a total of 150 antique dealers (Cohen 2006: 150). Objects from the eighteenth century, she emphasizes, triggered the imagination: it was close enough, but also quite distant from realities of the end of the nineteenth century.

At this point, personal tastes in antiques become a matter of individual preference. This



necessitated the creation of an individualized approach to the appreciation of these objects. As a result, sentimental value came into play by the end of the nineteenth century. “Its rarity, on the one hand, and the expertise required of its collectors, on the other, offered a rebuke not just to the social climber, but to the entire notion of personality” (Cohen 2006: 156). By the end of the nineteenth century, the modern market for antiques had emerged, which is in essence a market for singularities (Karpik 2010), in which exchange is driven by multiple criteria for valuation.

The parallel processes of mass production and a growing sentimental interest in the past drove a large-scale redistribution of antiques; this interest spread from fine art to include everyday objects such as furniture. The accumulation of wealth by larger portions of the population, together with other social processes, allowed the growing middle class to enter the market as a new category of furniture enthusiast. By contrast, until the nineteenth century interest in antiques was the domain of dynasties and collectors. Therefore, with the spread of collecting to the middle class, the number of objects available for exchange rapidly increased leading to the intensification of the antiques trade. The growing profitability of the business clearly indicated the market value of these objects, with the latter gradually becoming investment tools. Growth in the volume of trade also triggered the expansion of fraud in the market, this stimulated demand for “prudent” dealers and experts. The first publications regarding problems of authenticity, fakes and fraud appeared in this period along with early guides for consumers.

#### ***2.1.6. Antiques as a Part of Civilization Processes***

In conclusion to my short analysis of the development of antiques valuation, I would like to frame the results of this process conceptually within a general historical and cultural context. This context will be referred to again later in the theoretical and empirical chapters of my thesis. The general path of the historical development of the concept of the antique, and antiques as artifacts thereof, is influenced by their general embeddedness in a civilization process that transforms the individualized, personal sentiments about the past and its objects. From the starting point of appreciation based on an item’s religious character, interest in antiques has shifted to valuing household objects that incorporate the past into the present. But, because antiques were part of a civilizing process, they became

an inherent part of cultural memory, which contains traces of all of the types of value assigned to objects from the past.

Initially, they were valued as luxury goods. Belonging to representatives of the leisure class, antiques “borrowed” status from their original owners and thus obtained the power to ascribe higher social statuses to their subsequent owners. Consequently, interest in antiques rises in situations where individuals try to legitimate their new social status, as well as when they try to stabilize the status that they have already reached. Such situations have arisen in different historical periods and were connected with the political, intellectual, social, and economic developments of the times. Produced during certain historical arrangements, antiques were witnesses of important historical events, or specific historical atmospheres.

Historical time added to the initial status and functional or decorative value of these objects. As a result of their evolution as artifacts of the past, the value of these objects is twofold: they are luxurious objects, and they are associated with meaningful events in the past. Following Appadurai, antiques can be viewed as *rhetorical* and *social*, “goods that are simply incarnated signs” (Appadurai 1986: 38). This means that they are, in a way, narratives of value. Luxury is regarded as a special “register” of consumption with the following attributes: restriction to elites, complexity of acquisition, “semiotic virtuosity,” regulation by fashion, and a high degree of linkage between their consumption and the body, person, and personality (Appadurai 1986: 38). This pattern of growing appreciation for objects from the past characterizes the initial developments in the status value of antiques. The second pattern is based on the epistemological appreciation of antiques in the form of theories of art and in developments in the field of attribution and provenance research. The use of historical, intellectual, cultural, and aesthetic values in attribution can be identified as starting in the Renaissance.

The great worth assigned to these objects became a part of the meaning structures of the experts, who shared such value amongst themselves and with ordinary consumers. Systems of classifications became the battlefield for art historians and antiquarians; once formulated, these classifications had an impact on valuation as well. The second half of

the nineteenth century witnessed the rise of the antiques market as exchange intensified with the growing number of collectors. The increasing commodification of antiques created the need for schematic criteria for valuing antiques. At the same time, in a reaction to mass production the imaginative potential associated with these objects increased. For a soldier in Ancient Rome, a Greek vase was evidence of his glory, a defeated enemy, and some material value. For a gentleman in nineteenth century London it was an image associated with some Roman triumph that he glorified, it was an indicator of his good taste, a marker of a particular social position, and, potentially, a good investment.

The process of valuation became controversial with the appearance and intensification of values that are: material and symbolic; historical (as witness to the past); aesthetic (as classified by experts); cultural (as a matter of national heritage); and sentimental in nature. An object that holds sentimental value for a person may be of no interest to dealers. Moreover, a great masterpiece of artistic and historical importance may have no or even negative decorative value.<sup>5</sup> Determining what type of value matters more then became a matter of controversy and taste.

Therefore, as a starting point for my analysis I assume that the values historically attributed to antiques can be considered as orders of worth similar to the definition used by Boltanski and Thevenot (2006). Specific orientations towards different potential worth led to the establishment of institutionally linked discourses: sacred value as conferred upon objects of the religious cult; the concepts of historical and aesthetic value that emerged in the Renaissance and were institutionalized in the fields of art history and archaeology; cultural value as a part of collective and cultural memory represented by museums collections and narratives; market value as represented by auctions and trade organizations; and finally sentimental value that can be traced in family stories, and genealogies. This elicits a question that will be answered in the theoretical and empirical chapters of the thesis: how are these types of worth taken into account by actors in the process of valuation?

---

<sup>5</sup> Some paintings contain violent scenes or describe sad events in the lives of people: not many people would like to see a painting with the dead body on the wall in the living room.

Before I proceed to the theoretical analysis of this question, I will introduce one additional historical point related to the empirical case study at hand. The second part of the diachronic analysis is devoted to the emergence and development of the antiques market in Russia. In the following chapter, I will demonstrate that by the end of the nineteenth century the Russian market for antiques was highly institutionalized and functioned in a similar fashion to the international art and antiques market. This will be shown by tracing the evolution of the market, which advanced by borrowing cultural and market institutions from Western Europe. I will then proceed to an analysis of the social and political transformations in the twentieth century that resulted in a formal ban on the market, and which shifted most transactions with antiques (apart from the state sanctioned ones) to the informal and illegal sectors of the economy. As a result, the contemporary market for antiques in Russia can be considered as a specific case of re-institutionalizing a market.

The value of antiques as cultural and historical objects was preserved throughout the described period. Yet, due to the informal character of the market, records of value (available in the international market in the form of the *provenance*) were lost for a significant number of objects. This is what makes this case even more interesting for analysis, because the processes that we can trace in the Russian market are similar to those that occurred in the European market at the end of the nineteenth century. Hence, I will first show how social and political transformations in Russia influenced the valuation of antiques over the course of the twentieth century. Second, the inquiry into the contemporary market for antiques in Russia will provide a better understanding of the mechanisms that facilitate valuation in such complex contexts and in situations of product quality uncertainty.

### **3. Social and Political Transformations in Russia and the Value of Antiques**

Social and political processes, of a similar nature to those observed in Europe, occurred in Russia and influenced the formation of the antiques market. Yet, at the same time, Russia is a specific historical case with significant differences when compared to other European countries. In the Russian case these processes took place over a relatively short period of time in the form of direct institutional borrowing. Furthermore, several periods of significant social and political transformations influenced supply and demand as well as the valuation of antiques, and aligned valuation with dominant state ideology. The evolution of the Russian market for antiques can be described as a process of increasing discontinuity in personal and national histories, ideologies and social values. As a result, extreme ambiguity in the valuation of antiques is characteristic of the market up to the present day.

I will start this chapter with the distinction between the Russian market for antiques and Russian antiques as objects comprising one segment in the international market for antiques. I will show that from the moment of the market's emergence, it was characterized by mass production, mostly copying western antiques, and a recombination of styles. The latter added to the quality uncertainty also observed in the contemporary market and created difficulties in attribution and valuation.

#### **3.1. Specificity of Russian Art and Antiques: Borrowing and Adapting**

In the discussions about genuine national art and antiques Russian art is considered to be one of the best examples of “borrowing” and “adapting” art forms and styles from different cultures (see for example Maskell & South Kensington Museum (1884) on the origins of different influences on Russian art). “The Byzantine element is mixed with the Persian, the Scandinavian with the Mongol, the Romanesque with the Turanian. But the result is neither Byzantine, Hindoo, nor Persian. It is Muscovite” (ibid.: 9). From the earliest periods of Russian history, foreign architects, painters and craftsmen were invited to build churches and palaces, and to furnish them. In doing so, they combined already existing Italian, French or English styles with specific Russian elements and created

unique styles.

There is also a special category of antiques, which is classified as traditional Russian. Christie's and Sotheby's have Russian works of Art and Fabergé as well as Russian pictures departments. Rare works by Fabergé, icons with silver and enamel oklads, enamels, silver, Imperial and Soviet porcelain, militaria and bronzes, as well as Russian paintings are represented at the auctions.<sup>6</sup> Today Russian antiques are one segment of the international antiques market, and the Russian antiques market is a part of the international market. As mentioned above, the market consists of Russian antiques and imported ones. Imports of Western antiques established the Russian Empire's renown as a big player in the international market. In fact, the first signal that the international art market had started to expand eastwards in the eighteenth century was the sale, in 1779, of the private collection belonging to Sir Robert Walpole, first Earl of Orford, to Catherine II, Empress of Russia (Cross 1997: 323). Along with actively importing antiques, Russian Czars initiated a large-scale copying of Western antiques by skilled craftsmen, the products of which were brought to the cities from villages all across Russia. Serfdom existed in the country until 1861, and this provided the elites with the means to employ the free labor of artisans who worked in the numerous workshops in the suburbs of Moscow and Saint Petersburg. Thus, the demand for luxurious furnishing was met by a rapidly growing supply.

In the middle of the eighteenth century, architects also traditionally furnished the palaces they had built. One of the most influential was the Italian Bartolommeo Francesco Rastrelli, who was both an architect and sculptor. He was the chief architect of the Russian court, and planned the most famous palaces in Russia – the *Winter Palace* in Saint Petersburg, and *Tsarskoe Selo* in its suburbs – as well as designing all of the furniture and ironworks inside (Payne/Sotheby's 1989: 70). In the later periods (end of the eighteenth into the beginning of the nineteenth century) Russian furniture production and palace furnishing were influenced by Charles Cameron, David Roentgen, and by the 1790s a style called “*Russian Jacob*” had taken shape. In 1816 the architect Carlo Rossi was employed by the Russian imperial court and influenced the shaping of the *Empire*

---

6 <http://www.christies.com/departments/russian-works-of-art-and-faberge/>

*style* in Russian furniture (Payne/Sotheby's 1989: 105–106). In the third quarter of the century furniture made by Peter Gambs – in the *International* style – became famous. As Sotheby's points out, “Russia's limited production has always included fascinating, highly individual pieces” (ibid.: 126). Along with the works of Leo von Klenze, a Munich architect who worked further on the *late-Empire style* in Russia, these pieces are on the international market today.

This points to a distinctive feature of Russian antiques, and furniture in particular: what is called Russian antique furniture today is typically an example of a so-called “*palace antique*” with known provenance. Initially high value is attached to the objects produced in Imperial Russia. After the Russian Revolution the second large group of “Russian antiques” emerged, namely – socialist art. This group is more famous for the so-called “*naturalist art*,” and for a distinct type of collectibles, especially porcelain. Both the adaptive and recombinant character of these items cause contradictions in attribution: some Russian pieces are reminiscent of French or English exemplars. The value of socialist art grows parallel to this, and often leads to redefining what is antique. In addition to the quality uncertainty surrounding antiques, several periods of political and social transformations in Russia in the twentieth century significantly changed attitudes towards the past. The valuation of antiques changed in response to these transformations. In what follows I will briefly describe the historical specificity of the antiques market in Russia.

### **3.2. The Antiques Market in Russia in the Eighteenth and Nineteenth Centuries**

The Russian market for antiques was originally an institutional configuration borrowed from Western European countries. Russia adopted the European interest in objects from the past comparatively late: it initially appeared in the form of private interest and as a part of a modernization project started by Peter the Great. He introduced Western culture, and the objects associated with its past, to the Russian elite. A part of his policy was to bring Russian culture closer to the European one, and to reconstruct national identity in line with “educated Europe”.

In doing so, he borrowed some political and cultural institutions directly from the West.

The nobility was forced (under the threat of punishment) to copy European ways of dressing, behaving, and furnishing (see, e.g., Anisimov 1993). Being “European” in Petrine time was synonymous with being loyal to the regime. In the early stages of antiques market formation in Russia, antiques helped the elite to stabilize their old status in the face of cultural and ideological change. They became the markers of the new lifestyle.

After the founding of Saint Petersburg at the beginning of the eighteenth century, commercial, educational and even matrimonial connections between the Russian Court and the European countries intensified (Cross 1997). Starting with Peter the Great it became fashionable among nobility to travel to Europe for university education, and to bring what was considered to be European back to Russia. Schmidt (1995) considers the “Westernization” of eighteenth century Russia to be driven by the consumption of Western European styles, and objects. He distinguishes between two elements in this process: the appropriation of the Western architectural styles and participation in Europe’s “consumption binge” (Schmidt 1995: 381). He described the latter as including:

A huge variety of metal wares, made from iron, brass, and copper, many of them beautifully crafted versions of everyday items, glasses of different types and sizes, furniture of all kinds, clocks, wallpaper, carpets [...] all imported to adorn the houses of the rich. (Blanchard 1989, cited in Schmidt 1995: 381)

Noble families hired teachers from France, Germany, and other European countries to align the Russian socialization process with the European one: fencing, languages and the arts were the necessary parts of education process to be recognized as “noble”. Discussions in many salons were held in foreign languages – French or German – depending on the current fashion. Meanwhile, famous foreign artisans were invited to Saint Petersburg to teach Russian craftsmen. In the beginning of the eighteenth century the Russian Empire engaged in the extensive adoption of European institutional patterns in political, social, and cultural life.

Serfdom played an important role in the accumulation of wealth by a few members of the nobility, and their ability to create enough demand for the market to advance:

[T]he monies accumulated by the seigniorial nobility were seldom reinvested; instead, they



went for luxuries, mostly from abroad, and foreign travel and education. In brief, the unprecedented income that accrued to a fortunate few – those with huge estate and thousands of serfs – contributed to their “Westernization”. (Schmidt 2005: 384)

Beginning in the 1730s, under the reign of Anna Ioanovna, an intense period of palace construction began in Saint Petersburg and its suburbs: this process stimulated high demand for luxurious furnishings and art. Antiques from European collections were widely used in decoration, and the demand gave rise to the growing trade flow within this segment of the market. All kinds of intermediaries and institutions were necessary to organize the importation of the desired goods. As with the fashion for antiques itself, the institutions and forms of trade were also borrowed from Western European countries.

Fixed market roles and forms of trade were adopted: foreign suppliers-commissioners, fixed locations where the sales were made, pre-sale exhibitions announced in the media, and a final “public sale” or auction were common features of the market almost from the very beginning (Tolmatskii et al. 2008: 21). Lotteries were another institutionalized form of the market. The importance of intermediaries grew in the first half of the nineteenth century, and with it grew their presence in the market. They became the prototype for dealers that was later emulated by contemporary freelancers who resell antiques. By the early decades of the nineteenth century not only the Czars and the high nobility, but also the “middle class” bourgeoisie could afford furnishing their homes with art and antiques. Collecting was no longer an exclusive activity of the Czar’s family and the Court, and entrepreneurial opportunities in the market subsequently increased. The emergence of freelancers on a relatively large scale led to a rise in prices in the market: objects were often resold several times among intermediaries, and the price increased on each occasion. Soon afterwards, the intermediaries became institutionalized, but the rules they followed were often informal. Their primary activity was to fill the gap between the institutionalized auction trade, and the segment comprised of independent shops and flea markets.

Historical records provide evidence of their collaborative entrepreneurial activities in relation to the auction trade: they organized groups during auctions, buying out objects at lower prices with the agreement to resell them later at higher prices to other dealers or

clients, or in the shops (Tolmatskii et al. 2008: 84). These groups were well organized and used two main strategies. They could monopolize the bidding at an auction and thus buy an item at a low price. If someone entered the competition (often not knowing about the dealers' collaborative agreement) they could push the price up much higher than the one that could otherwise be reached, and then quit bidding, thus forcing the competitor to pay too much. When other market actors recognized these strategies, some of them, such as ordinary consumers, quit the market due to the high transaction costs. The others, such as the representatives of auction houses, tried to prevent the participation of these groups in sales.

By the end of the nineteenth century this led to a flourishing, spontaneous market trade alongside the institutionalized one. Freelance traders and small commissioners who purchased old things from the population created a highly informal market. They bought items at lower prices from the poor, the old, and sometimes from thieves. After sorting out their purchases, they would sell these to consumers at much higher prices, thereby accruing huge profits. At the same time, it was common practice in the auction trade to over-estimate the aesthetic and artistic value of the art objects due to the growing demand for art and antiques. As noted at the time by the authors of the *Peterburgskaya Gazeta* (Tolmatskii et al. 2008), the artists themselves acknowledged that the prices were “blown up” disproportional to the actual worth of the pieces of art. Actual worth here is meant as the worth that could be established by the artists themselves for a transaction taking place without intermediaries.

Price growth was, first of all, connected with an increase in welfare “due to the surprises of fortune, when its wheel revolved fast in the unforgettable period of railroad and other concessions” (Tolmatskii et al. 2008: 45, author's own translation). Dealers recognized the possibility of finding bargains in the situation of rapidly growing demand and where consumers were unskilled in attributing value to the art objects and antiques. Forgers and imitators played an active part in the market, and the first discussions on the authenticity of art objects were initiated as early as the beginning of the 1830s (Tolmatskii et al. 2008: 30).

By the end of the nineteenth century the Russian antiques market was institutionalized on the same scale as the European one. It was characterized by the existence of different forms of trade (from freelance dealers to auctions), and by high prices for art and antiques. As of 1902 about 70 antiques shops and kiosks existed in Saint Petersburg (Tolmatskii et al. 2008: 105). At this point the Russian market for antiques became a part of the international market, and borrowed its main characteristics.

However, rapid political changes and several wars in the course of the twentieth century drove transformations and the decline of the formal market segment. The decline of the formal market gradually shifted trading activities into the informal, and later on, illegal segments of the economy. This did not mean that the market disappeared completely – in the following paragraphs I describe the dynamics of the market, in either the legal or illegal sectors, which were generated by the social and political transformations in the country.

### **3.3. The Russian Revolution and the Establishment of State Control of the Antiques Market**

In the course of WWI a new upswing in the prices for art and antiques took place. Panic and the losses of the army coupled with the worsening food supply in Saint Petersburg forced a portion of the citizenry to sell the antiques that belonged to them (Tolmatskii et al. 2008: 134). At the same time a rapid growth in demand and, consequently, in prices for antiques was recorded in the newspapers from the same period. The contraction in external supply, caused by the closure of the borders, and inflation on the one hand; and the speculative behavior of the dealers, facilitated by the growing number of “illiterate” clients, on the other, were considered to be the main causes for the increasing prices (*Starye gody*, October–December 1916 cited in Tolmatskii et al. 2008: 134).

The Russian Revolution of 1917 was the starting point for gradual changes in the attitudes towards luxurious goods and their valuation in general. It was also the first period characterized by discontinuity in the valuation of antiques. These changes happened alongside the political, social, and economic transformations occurring within society. Complete rejection of and the subsequent struggle against Czarist Russia led to

two significant social changes in Soviet Russia and later on in the USSR:

- *Massive immigration and repressions*, in the course of which many representatives of the nobility left the country (either voluntarily or they were forced out by the new authorities), were killed, or imprisoned. Acknowledging one's noble origins, and thus having the objects that demonstrate such status could endanger one's life.
- *Ideological change* in the form of denial of the “bourgeois lifestyle” led to the rejection of all habitual patterns characteristic of it. Antiques and other different material artifacts of this lifestyle fell out of favor as decorative elements in the Soviet household.

The value of antiques drastically sank in the years after the revolution. Yet, they retained their cultural heritage status, but mostly for the state<sup>7</sup>, for the subcultures of the intelligentsia (Boym [1994] describes them as imagined communities), and amongst those who had connections to the art world as professionals or as politicians (Shpakovskaya 2004). In the domestic sphere antiques lost their worth in accordance with the official discourse, and were even assigned a negative connotation. In essence, they symbolized the rejected values of the Czarist past and contemporary bourgeois societies.

In the USSR it was not illegal to possess antiques, but in most of the periods of the country's history the trade in antiques was forbidden. Therefore, since the Russian Revolution both the valuation of antiques and market functioning were highly informal: in part they were moved into segments of the contraband trade, and the “life history” and “biographies” (Kopytoff 1986) of many of them could not be traced anymore. Social transformations within the Soviet state not only influenced the formal market. These transformations were also responsible for discontinuity in family records; gaps occurred when the relatives of repressed citizens attempted to hide their relations and thus did not keep any family histories over generations. Through mass geographical and social

---

<sup>7</sup> Even the cultural and historical values of antiques were rejected for a certain period right after the October Revolution of 1917. A large number of objects from the palaces was plundered, destroyed or sold during the first months of the Revolution. All traces of many pieces from the collections and private possessions were lost before the state museums for decorative art were founded.

mobility possessions of the “old houses” were extensively redistributed, and were thus disconnected from their histories. Because of these factors, the market was characterized by uncertain mechanisms of valuation and price formation that provided dealers with opportunities for achieving higher profits.

The following periods characterize the discontinuity of antiques appreciation:

- A spontaneous redistribution of antiques happens in the first years of the Soviet Republic (1917–1918).
- State control and regulation are established in the antiques trade. Sales occur at flea markets, shops, and auctions, the period lasts from 1918 up to the beginning of the 1930s.
- An ideological struggle with the past and the predominance of the foreign trade (“the *Torgsin* times”)<sup>8</sup> occurs in the 1930s; this is accompanied by industrialization and the subsequent exchange of objects of cultural value for currency and machines.
- Redistribution, destruction, and plunder of antiques took place during WWII (1941–1945), along with a devaluation of antiques in the context of scarce food supplies.
- A new housing policy is enacted in the Soviet Union; this introduces an ideological struggle with the bourgeois way of life and spatial restrictions on possessing antiques (the 1960s).
- Informal exchange and illegal trade of antiques gradually increase. Status symbolism of antiques, with the *intelligentsia* and *nomenklatura* as their legal consumers appears in the 1970–1980s.
- A semi-legal market for antiques is established in Russia in the 1980–1990s.
- Gradual institutionalization of the Russian market for antiques and attempts to embed it as a part of the international one emerge. These changes trigger the

---

<sup>8</sup> *Torgsin* were state-run stores that operated in the USSR in the 1930s, an acronym of *torgovlia s inostrantsami*, “trade with foreigners.” (see Tolmatskii 2005)

development of market institutions and their corresponding problems.

In the first years of Soviet Russia, especially in 1918, the antiques trade was a spontaneous one (Tolmatskii 2003b: 40). The supply of essential goods was poor, and thus many antiques owners were forced to sell their pieces at relatively low prices or exchange them for food and other consumer goods. A significant number of antiques were bought by the dealers working for foreign antiques firms, and were then exported out of Russia.

Right after the Russian Revolution authorities opened the borders of the market. While in the period of market emergence (the eighteenth and nineteenth centuries) the market was predominantly oriented towards imports, and it was constantly growing in size; in the first years after the revolution it was difficult to estimate the demand for antiques inside Russia. As a result of ideological changes and widespread impoverishment only small groups of connoisseurs and collectors remained interested in antiques.

In the period of changes amongst the ruling elite in 1917 almost no regulation existed for the antiques trade. This period witnessed the rapid circulation of objects within the country, but a large number of them were also exported. Russian newspapers placed the blame on the foreign intermediaries who pretended to be businessmen, or embassy members but who were, in fact, searching for art and antiques and buying up “everything that had any hint of being Russian art ” (Tolmatskii et al 2008: 228, author’s own translation). These objects were bought in large amounts and stored in embassies where they were subject to the diplomatic protection of goods.

### ***3.3.1. Accounting for Culture: Nationalization and the Sale of Art and Antiques in the 1920s***

On October 10, 1918, the new Russian authority issued “A Decree about the registration, recording, and protection of the artifacts of art and history belonging to private persons, societies, and organizations” (Tolmatskii 2003b: 40, author’s own translation). A special *collegium* was established in Moscow and Petrograd, which had to give permission for any alienation or transmission of the type of artifacts mentioned above. At this point the state took control over the antiques market in Russia. The second important decree was

issued on October 26, 1920, which granted the state a monopoly on the sale of antiques to foreign countries. As a result, any entrepreneurial activity in trading antiques became virtually impossible, and was treated as illegal (Tolmatskii 2003b).

Soon after the Civil war in 1921, the authorities developed the idea to sell the property from the palaces of the Czar and other nobles. First, the plan was to mostly sell these belongings to the West. The State Fund of Valuables for Foreign Trade (*Gosudarstvennyi Fond Tsennostei Dlja Vneshnej Torgovli*) was established for this purpose (Tolmatskii 2003a: 56). Two years later sales were extended to the domestic market, with the signing of the corresponding legal declaration in March 1923. Profits from these sales were to be used to fund the restoration and security of historical monuments (60%), and to fill the state budget (40%).

*Glavnauka* allowed the management of the Hermitage to give up to 40% of all the museum furniture (duplicates) to the Komissija Gosfondov. Sixty percent of the profits from sales arranged by the Komissija will be transferred to the Hermitage budget (*Vechernjaja Krasnaja Gazeta*, 16 May 1926, cited in Tolmatskii 2003a: 61, author's own translation).

In March 1924 the trading room opened for business: Tolmatskii (2003a) provides a detailed description of the beginnings of the antiques trade in the Soviet Union. According to him, in the first years of activity, the main problems that arose were linked to the absence of proper sales rooms, and the poor qualifications of the persons who were responsible for accounting and appraising the pieces. Furthermore, employees stole items, and then sold them at lower prices to "their" customers, and at higher prices to those whom they did not know. After special anti-corruption measures were taken, in February 1925 the sales were restarted. From furniture, porcelain, clothes, musical instruments, and other objects from the Czar's palaces, everything of value was on sale:

[A]part from luxurious palace furniture estimated to be worth more than 500 000 rubles, there is a great assortment of table cloth and wares valued at 151 000 rubles. (*Vechernjaja Krasnaja Gazeta*, 16 July 1925, as cited in Tolmatskii 2003a: 58, author's own translation)

These sales were open for both Russian and foreign buyers, and the latter were actively involved in the process, thereby ensuring the flow of works of art abroad:

In the last days there are many foreign visitors to the *Glavnauka*, they are interested in the sales of former Czarist property from the former Winter Palace. There are applications from the German general consulate, and representatives from other foreign missions asking for permission to buy different objects. There is some information that businessmen from Denmark, Sweden, Germany, England and the USA are also expected. (*Vechernjaja Krasnaja Gazeta*, 20 July 1925, cited in Tolmatskii 2003a: 59, author's own translation)

As was already mentioned, the appraisal procedure was problematic. Therefore, many objects were estimated to have much lower values than could be expected:

A large set of furniture was sold at a very low price. For example, a cabin bedroom suite made by Svirsky, comprised of 18 separate items, and made of different shadows of lightwood, is appraised at 450 rubles. (*Novaja Vecherniaja Gazeta*, 29th of July 1925 cited in Tolmatskii 2003a: 61 author's own translation).

Clearly these objects did not represent any historical value for the ruling elite of the time. What could be considered to be objects with good provenance in the contemporary antiques market, were sold without paying any special attention to the origins and history of ownership.

In April 1927 the *Vechernjaja Krasnaja Gazeta* reports:

An assortment of the Czar's property that is of no value to the museum was transported from Leningrad to Moscow [...] Three carriages of things are brought, among which there are many paintings, bronze, carpets and a collection of musical instruments. Incidentally, in this collection are a trombone and bass clarinet that Alexander III had played, as well as the first piano produced by the Schroeder factory, and given as a gift to the Czar by the merchant [Schroeder himself]. (Tolmatskii 2003a: 62, author's own translation).

Part of the furniture confiscated from former owners was also redistributed to the new organizations and those workers and party members who had a need for furniture; they could order it from a special pool of objects created in Saint Petersburg in the 1930s (Shpakovskaya 2004).

The end of the 1920s in the Soviet Union ushered in a time of rapid industrialization; the construction of factories, dams, and other industrial objects required significant financial investments. In the following section I will describe how sales of single objects from the houses of the nobility was transformed into the large-scale trade in national heritage.



### ***3.3.2. Industrialization at the Expense of Culture: Turning Rembrandts into Convoys of Tractors***

As Osokina correctly indicates, the need for material and financial resources led to massive sales of valuables of cultural significance to the West at the end of the 1920s and the beginning of the 1930s:

There are people, communists and Marxists, who are infected with the understanding that we need Rembrandts and Rafaels, and that this should not be sold. To me, the *Gosbank* and golden currency are more important, and damn it, this Rembrandt. There should be no rigidity. (From the protocol of the meeting of a Governmental commission on the selection and sale of antique valuables, June 1929; cited in Osokina 2003: 233, author's own translation)

According to Osokina (2003) the trade balance of the Soviet State in those years was unfortunate: resource-based exports at extremely low prices as a result of a global economic crisis, and imports oriented at heavy machinery for industry, the prices for which were increasing. Therefore, Soviet authorities decided in favor of the large-scale export of art and antiques. The process of nationalization and redistribution in the beginning of the 1920s amassed considerable stockpile of art and antiques that was at the state's disposal. Osokina shows that initial exports of valuables from non-museum collections transitioned into the massive sales of objects from museum repositories (Osokina 2003: 235). At the beginning of 1928 the export of art and antiques became a planned activity; by the end of summer of the same year, *Antikvariat*, the organization in charge of buying and selling antiques, was established. Its duty was to increase the stockpile of art and antiques and to sell it abroad.

To overcome the resistance of the intelligentsia and museum experts, the authorities decided to entrust the management of this organization to loyal party members. Osokina indicates that their main purpose was to replace the sabotaging intelligentsia, who controlled art and antiques, with persons who had no idea about the topic. The main objective for these people was defined as "to get a convoy of tractors for each Rembrandt" (Osokina 2003: 237, author's own translation). The Ministry of Education, *Narkompros*, tried to resist the mass sales of museum collections. Experts underlined the changing character of fashion and tastes for antiques in the international market, and

therefore warned about possible mistakes made in valuation. They also insisted that trade organizations should not interfere with the policy of museums. The main points of conflict between art experts and representatives of *Antikvariat* regarded the standards used in the evaluation and pricing of objects. Also problematic were the decisions about which objects should be sold. Despite the protests by experts, this campaign resulted in significant losses for the museums, in particular, for the Hermitage museum in Saint Petersburg. In fact, works of art continued to be converted into hard currency until the middle of the 1930s.

### ***3.3.3. Future-oriented Ideology and Memory Crisis***

During the two decades following the Russian Revolution antiques as objects of “bourgeois culture” and Czarist heritage lost their cultural value in the face the official ideological discourse. First, everyday objects were claimed to be an unnecessary element and rival in terms of ideologically to the Soviet way of life. Second, this process resulted in the general depreciation of masterpieces in the eyes of the majority of population: the ruling elite used to evaluate art and antiques only in market terms as a potential source of financial resources. These two symptoms of devaluation were caused by an overall cultural and ideological shift: the past and the West were not appreciated anymore.

For peasants and workers there was nothing glorious about the Russian past. For the official Soviet ideology only the future – Communism – was important, and there was no place for luxury or antiques in this picture of the future. Such processes of disavowing the past are explained by Terdiman (1993) as a “memory crisis” where “people experienced the insecurity of their culture's involvement with its past, the perturbation of the link to their own inheritance” (Terdiman 1993: 3).<sup>9</sup> As a result, the cultural value of objects belonging to the rejected past was changing. For the official Marxist discourse, one’s material surrounding determines consciousness. Therefore, the everyday and its artifacts had to be transformed in order to create the conditions for developing the political and social consciousness of workers.

---

<sup>9</sup> In historiography this phenomenon is closely connected with the discussions on the relation between history and memory, in particular, cultural or collective memory (see, e.g., Nora 1989; Terdiman 1993). I will return to this discussion in Chapter 8.

An important factor influencing this memory crisis was the ideological fight with the intelligentsia who were considered to be the bearers of bourgeois consciousness or even the protagonists of influence of the capitalist West. As Dunham (1990: 20) puts it, “[t]he intelligentsia, despite its historical transmutations, is capable of remembering the past.” Therefore, it provides links with the past and preserves cultural memory, which is necessary for the appreciation of artifacts from the past. Relations between the Soviet party elite and the intelligentsia have since become a matter of extensive research in social history (Fitzpatrick 1992; Dunham 1990; Hoffman 2003).

I argue that the political processes involving purges of the intelligentsia, and the consequent transformation of the elite in the Soviet Union in the 1920–1930s increased the ambiguity of antiques appreciation. For the purpose of my study I will mention two main directions that the policy regarding intelligentsia took during the 1920–1930s: the development of the concept of *kulturnost*’ (Dunham 1990; Volkov 2000) and the “making of a new elite” by Stalin in the 1930s (Fitzpatrick 1979). Often translated as “acculturation,” *kulturnost*’ is viewed as merely exhibiting proper conduct in public, this is in contrast to *kultura* in the sense of a higher culture, a synthesis of ideas, knowledge, and memories (Dunham 1990). The concept of *kulturnost*’ played an important role in shaping the tastes and preferences of the Soviet middle class that emerged in the 1930s.

The period of 1928–1932 in the Soviet Union became known among social historians as the Cultural Revolution. It was considered by the new ruling elite to be a necessary part of the transition to a socialist society (Fitzpatrick 1974). In 1927 at the Fifteenth Party Congress the Soviet government outlined the First Five-Year Plan for industrialization. A special section of the plan was devoted to the necessity to raise the cultural level of the worker-peasant masses. It was formulated to apply to both the “cadres” (administrators, engineers, skilled workers) and the masses (Fitzpatrick 1974: 39). During the first year of the plan over ten million peasants moved to towns in search of better jobs (Gronow 2003). These people often subsisted at a level below basic standards of living. At the same time, the technical elite necessary for successful industrialization was still represented by the generations educated before the Revolution. Soviet government needed new, loyal and politically literate “cadres”.

Thousands of workers were sent to technical universities to improve this situation in the shortest period possible. Fitzpatrick (1979) describes this as the chief aim of Stalin's policy within the First Five-Year Plan: to create a new Soviet intelligentsia by merging the separate administrative and specialist elites of the 1920s (Fitzpatrick 1979: 399). The allocation of larger financial resources into education was considered to be in the interests of successful industrialization.

The notion of a cultured Soviet citizen was still not a conventional idea at that time (Kettering 1997). The lifestyle of the average Soviet citizen varied between two extremes: on the everyday level it varied between persons with elementary hygiene concerns and rudimentary literacy in the rural areas to those that benefited from higher education, visits to theaters, museums and other cultural activities in the major cities. In the 1920s and early 1930s the ascetic revolutionary way of life was still considered to be the right one, and even the category of "thing" (*veshch*) had negative connotations (Boym 1994). By the middle of the 1930s a new system of social order had emerged: it allowed for a more hedonistic and individualistic way of life (Gronow 2003: 9).

Timasheff (1946) called this return from socialist ideals to the Stalinist conservatism that legitimized bourgeoisie-like consumption practices the "Great Retreat". The government believed that by stimulating the desire to consume that it could encourage the entire population to work harder (Kettering 1997). Dunham (1990) traced this turn to middle class values in post-War Soviet novels. She regards it as a "Big Deal": political loyalty in exchange for tolerance of the everyday middle class values. Later Fitzpatrick (1992) develops this idea in regard to the intelligentsia. She believes that part of the intelligentsia agreed to exchange their loyalty and service to the regime for privilege and social status for themselves (Fitzpatrick 1992: 9).

As was previously shown in *Chapter 2*, interest in antiques initially related to a civilizing process and was a prerogative of the elite. In many cases these objects were the indicators of one's noble pedigree. This happened in Russia as well as a part of the modernization project introduced by Peter the Great. But, as a result of the emergence of "Soviet Civilization" (Sinyavsky 1990) and cultural policy in the 1930s a new elite was created.

This elite produced their own artifacts, which reflected socialist symbolism and rhetoric. Today these artifacts comprise one of the segments of the market for Russian antiques: Soviet memorabilia.

### **3.4. Antiques and Their Value During WWII**

Historically, most of the antiques were to be found in Saint Petersburg (at different times the name of the city was also Petrograd and Leningrad, these names are used here according to the respective period). During the siege of Leningrad in 1941–1944 the prices for antiques were equal to the prices for basic goods: gold, silver, and even pieces of valuable furniture could be exchanged for food (Gouré 1962). Cheaper furniture may have also become firewood in the cold winters of the 1941–1943. Confronted by famine, authorities unofficially tolerated the formation of spontaneous flea markets, where people tried to exchange some belongings for food (Bernev/Chernov 2007). A diary from a resident of Leningrad reports: “Friday. 10<sup>th</sup> of January. [1942] There are a lot of announcements in the streets, they describe sales or even exchanges of furniture, clothes, shoes, and different household things for food” (Bernev/Chernov 2007: 221, author’s own translation). However, while monetary transactions had to be legally sanctioned, natural exchange was tolerated, as it was only formally illegal (Bernev/Chernov 2007: 219).

In the summer of 1942 the authorities issued an order to enforce the evacuation of the elderly and the young from Leningrad; evacuees were only allowed to take documents with them, and thus people were urged to sell all their belongings at any price. “The things are given out so cheap, especially the furniture prices are notable, they are given away almost for free, but despite this, many people do not have time to sell the things, they end up leaving behind all they have accumulated over many years” (Bernev/Chernov 2007: 248, author’s own translation).

This period witnessed a second, large wave of transfers in ownership. The discontinuity of the market development increased, and a quasi-market was created. Experts report in their interviews that many significant antiques collections of the post-war time originated in the time of the siege. Many of the Russian antiques being traded today in the auction

houses in Europe were also brought out of the country during WWII. Discourse about the disastrous outcomes of WWII became a part of conventional explanations for the poor supply of antiques inside Russia. As I will show in the empirical section, many informants refer to this period as an example of the conditions that lead to a significant divide between the appreciation of antiques by ordinary people, and by representatives of cultural institutions, in particular, museums. In many narratives museum curators are styled as the persons who saved cultural treasures during the siege of Leningrad; they often lived in museums in order to prevent any looting of the collections.

### **3.5. Khrushchev's Housing Policy, the "Thaw" Ideology, and The Fight With *Meschanstvo*: The Socialist Lifestyle vs. Antiques**

In the post-war period two processes were important for the antiques market: state programs of housing construction, and the ongoing fight against the *petit bourgeois* lifestyle. Towards the end of the 1950s a new program, supplying citizens with their own separate apartments, was adopted by the state as part of a complete restructuring of everyday life that was undertaken during the *Khrushchev Thaw*<sup>10</sup> (Varga-Harris 2008; Shpakovskaya 2004). Mass construction of buildings with very small apartments provided the housing for those who previously lived in barracks or communal apartments (the so-called *kommunalka*). The main features of the new state housing project were: standardizing buildings, limiting construction to a maximum of five floors, designing small kitchens, and installing low ceilings (Varga-Harris 2008: 565). Housing and *byt*<sup>11</sup> became matters of concerns for the government and received attention in Party policy (Varga-Harris 2008; Buchli 1997). Much of the rhetoric was concerned with the rationalization of "irrational consumer behaviour" to bring it in line with the norms of "high-socialism", first of all rejecting the *petit bourgeois* lifestyle, and following minimalist design (Buchli 1997: 163).

---

<sup>10</sup> *Khrushchev Thaw* is the period in Russian history from the mid-1950s to the early 1960s (after Stalin's death) that was known for the policies of de-Stalinization introduced by Nikita Khrushchev. During this period repressions and censorship were stopped, and political prisoners were freed.

<sup>11</sup> "The term *byt*, loosely translated as daily life, is an ethnographic term relating to the totality of quotidian behaviour. It refers to every aspect of daily life, from food, clothing, domestic material culture and family life. It can also be understood as the English world 'lifestyle' with the additional sense of the ideological underpinnings of quotidian behaviour and material culture" (Buchli 1997: 175).

In addition to architectural simplicity, design professionals “informed consumers of new types of furniture and decorative wares; offered strategies for furnishing and arranging domestic space in ways that would make optimum use of the new ‘economical apartment’ (*malometrazhnaia kvartira*; literally, ‘small-sized apartment’) that typified one-family dwelling; and censured outmoded housewares in articles and books on household advise” (Varga-Harris 2008: 567). Art critics and other experts provided rules for homemakers on how to organize the apartments, and recommended new types of furniture – sectional and convertible – to maximize space:

In practical terms, furnishings used in the comparatively spacious rooms of communal apartments simply would not fit in the newly-built “small-sized apartments”. Experts admonished against heavily embellished furniture also because it impeded activity within the home and threatened good hygiene. As one art critic proclaimed, “Think how much trouble it is for a woman if her apartment is set up with old cumbersome furniture with carved decoration. The poor thing must dedicate all her free time to tidying; otherwise, the family will choke from the dust....” (Varga-Harris 2008: 568)

This Soviet minimalism was one of the most important factors that influenced the massive rejection of using antiques in decoration; the lack of space and the low ceilings forced even those who had inherited old items to get rid of them. New housing design introduced one more special limitation in the form of eliminating the dining area or *stolovaia* in its entirety:

[N]ew apartment schemes accommodated dining in the kitchen, thereby relegating the family ritual of taking meals together to the ‘mechanical’ regions of the apartment where food was prepared and waste eliminated. [...] If a kitchen was too small for dining, then the furniture for accommodating family meals took the form of a folding table that was stored and pulled out only when necessary. (Buchli 1997: 166)

New types of transformable furniture that could serve several functions were invented as a part of the ideological process of *razveshchestvleniia* (the de-artefactualization) of the domestic sphere (Buchli 1997: 167). As Varga-Harris (2008) shows, displaying material comforts was associated with Philistinism and narrow-mindedness (*meschanstvo*), or banality, bad taste, and obscenity (*poshlost'*) (Varga-Harris 2008: 568). Spatial limitations and ideological policy forced many people to get rid of their old possessions: in the middle of the 1960s garbage dumps were one of the sources for the supply of antique furniture.

It occurred for the first time in the 1960s, when all this was taken out of the houses, I was still a child those years. People started to give away unique antique furniture. A friend of mine, an art historian as well, bought a Renaissance chest of drawers, 4 meters high, 6 meters wide, all carved, beautiful, with the pearl decorations and so on. He paid 10 rubles or something like that: the owners had wanted to chop it up into pieces and throw it away. Because my friend knew about the furniture, he disassembled it, took it home, and properly assembled it again. (I-10, author's own translation)

To a large extent this struggle with *meschanstvo* was a part of rejecting Stalin's cultural policy, and marked the return to real socialist values. Once again, in the history of the Soviet Civilization the past was rejected with all of its artifacts. Using the concepts proposed by Thompson (1979) the 1960–1970s was a period when household antiques were once more categorized as *rubbish*, a state between transience (with the value decreasing) and (potential) durability, when the value should start increasing again. The author's key point is that in the state of rubbish an object has no value (Thompson 1979). New developments were needed to reinstate their value within the official cultural and ideological discourse.

### **3.6. The Emergence of the Illegal Antiques Market in the Soviet Union**

As already mentioned earlier, possessing antiques remained linked to higher social statuses for a narrow circle of actors: the party elite, part of intelligentsia (mainly those occupying prestigious positions in the world of culture, education, and medicine, or high-ranked military officers and diplomats). Key positions in society were assigned according to membership and status in the Communist Party: but one could still be promoted without such membership. The elite in the country was defined not only according to wealth or cultural capital: apart from rare cases of well-known artists, people experienced social mobility relative to their political loyalty.

Commercial activity involving antiques was still legally forbidden. In Saint Petersburg opportunities to buy antique items were limited to three second-hand stores. But illegal markets and informal exchange were developing. Contraband smuggling of antiques became one of the activities that defined the early beginnings of organized crime in Russia. There was no official market for antiques, and thus there were no official statistics or publications on the topic: scattered information about antique dealing as a type of activity that is not appropriate for a Soviet citizen, or scandals involving art and



antiques theft and smuggling were the only available data. Antique collecting was not approved of by state ideology; accordingly, soviet collectors had financial and spatial limitations, they were disconnected from the international antiques market, and the notion “antiques” itself had criminal undertones. Part of the cultural elite and party *nomenklatura* could afford to have a passion for collecting, but in the mass consciousness collecting antiques was still illegal and “speculative”.

The illegal antiques market in the Soviet Union first emerged in the form of smuggling. Objects of religious cult, in particular icons, were exported to Western Europe using contraband channels. Introducing themselves as “geologists” or members of other “expeditions” exploring remote areas of the country, criminals collected icons in Russian villages from older people, insisting that they were valuable ethnographic evidence (Kommersant, 29 May 1993: 22, Oleg Utitsin) or they simply stole them from private houses and churches. Later these objects were transported to Western Europe as contraband, or were sold to tourists from Western Europe, the number of which steadily grew since the end of the 1960s. For instance, informal estimates show that in the 1960s almost 20 percent of the antiques traded in the *Quartier latin* in Paris were objects brought from the USSR (Rosbusinesskonsulting, 20 October 2008<sup>12</sup>; Kommersant, 29 May 1993).

As mentioned by one of the dealers in an informal conversation, by 1983 “old dealers” had begun to acknowledge that the market was almost exhausted. What he meant was that the opportunities for making new discoveries in villages, churches and private collections had nearly been tapped out.<sup>13</sup> Apart from religious objects, antique jewelry (including Fabergé), and Russian *avante garde* art were also subject to smuggling on a large scale. This process developed further despite the legal prohibition of such activities. Private trading was banned according to Article 154 of the Criminal Code of the *RSFSR*<sup>14</sup>: “the buying and selling of goods with the purpose of making a profit, if engaged in by

---

<sup>12</sup> Source <<http://top.rbc.ru/retail/20/10/2008/254488.shtml>> (accessed 27 February 2011)

<sup>13</sup> There is almost no exact data available in open sources on the volumes of this trade or contraband, and most of the informants preferred not to discuss this market segment at all, mentioning that it was a “coffin business.”

<sup>14</sup> Russian Soviet Federative Republic – one of the republics of the former Soviet Union that is now the Russian Federation.

individuals, is termed speculation and is as such forbidden by criminal law” (Feldbrugge 1984: 530). Dealing in second-hand books, buying up icons and antiques, and then reselling them were classified as severely punishable activities along the same lines as smuggling gold, icons, and works of art to the West. Illegal activities of this nature were punished with imprisonment for periods from two to ten years (Feldbrugge 1984: 534). Partly mythologized, this business became associated with criminal activity in the mass consciousness; images of criminal dealers appeared in movies and documentaries, and stories about disappearing market actors, murders and thefts still circulate today.

### **3.7. Rehabilitation of the Past and the Return of the Market in the 1990s**

The Soviet Union collapsed at the beginning of the 1990s, triggering three associated changes that are relevant for this investigation. First, liberal ideology was accepted in many domains of economic, social, and cultural life, but foremost, in the form of private entrepreneurship. Second, socialist ideology was rejected along with the everyday soviet lifestyle within the course of broader changes in the social values systems. And third, mass migration occurred among certain groups of the population. These three processes significantly influenced the re-emergence of the antiques market in Russia.

Mass migration had already become characteristic of the intelligentsia in the middle of the 1980s. Such migration was at first driven by the state with the well-known dissident cases of the 1970s and flight of representatives of the arts world to capitalist countries. In the 1980s this process increased massively. The duration of liberalization was not yet clear at that time, and many used the chance to leave the country. In most of the cases they were migrating “for good,” selling all of their belongings in Russia to finance their fresh start abroad. This increased the supply of antiques on the market: in part because these objects were too bulky to transport (furniture), and partly because it was forbidden to export them. Administrative restrictions on exports shifted many antiques to the illegal part of the market, as their owners relied on criminal means to move their belongings abroad.

At the beginning of the 1990s trade and commerce were no longer planned by the state, and profit seeking became a legally and socially approved economic strategy. The

antiques trade was finally legally allowed as an entrepreneurial activity. Until 2002 it was a licensed activity, and is almost unregulated today. The process of market formation was not the same as in the beginning of the eighteenth century: relatively few institutions were introduced to regulate the exchange of goods. This was accompanied by an increase in the number of *nouveau riche* in the country. In the first years of reforms gold chains and leather jackets were the indicators of wealth. Later on, criminal actors started to transfer their economic capital into social and cultural wealth. This coincided with the romanticizing of pre-revolutionary Russia, where symbols of the Russian Empire became widely popular. According to different estimates, by 2004 the market turnover was \$1 - 2 billion a year (Rossijskaja Bisness-Gazeta, 17 April 2007: 5, Liudmila Morozova).

Summing up, significant interest in antiques emerged in Russia in the middle of the eighteenth century, which was considerably later than in Western Europe. This rise in interest was linked to the modernization project of the Russian Czars that was aimed at making the country a “European” one. In the beginning of the twentieth century the market was officially banned in the course of the modernization project of the Soviet elite to build a non-capitalist, anti-bourgeois society. As a result, significant numbers of objects were lost or sold abroad, and many representatives of the intelligentsia left the country or fell victim to Stalin’s purges. Consequently, Russia lost a large portion of objects associated with traceable narratives, and at the same time these narratives lost their meaning for the new elite.

During the social and political transformations of the 1990s the market underwent a reversed process. The image of Russian society before 1917 was romanticized; similar to the Renaissance period, interest in the “glorious past” and its artifacts was revived. Newly enriched groups sought legitimization for their attained status, and antiques could help them to reach this goal. While in the eighteenth century all market institutions were directly borrowed and enforced by the state, by the end of the twentieth century some institutional context already existed. It mostly had an informal character, and market actors benefited from this, speculating on the ambiguity of valuation. This context, as well as the structure of the contemporary antiques market in Russia, and its main characteristics, will be discussed in the following chapter.



## **4. The International Market for Art and Antiques: Structure and Main Characteristics**

In previous chapters I analyzed the emergence of the international antiques market demonstrating that it was deeply rooted in knowledge about the past. Appreciation and attribution of antique objects requires market actors to obtain knowledge about styles, epochs, schools, and craftsmanship techniques. They also need to have a “good eye” for recognizing the authenticity of an object, which means that one has to have tacit or practical knowledge of antiques (Polanyi 1983 [1958]). Two problems arise from this: First, information about the past is always incomplete and new discoveries are possible. Second, knowledge in the field of appraisal is complex and requires good cognitive skills. Consequently, the market for antiques is characterized by high levels of uncertainty regarding the characteristics of specific objects. I will refer to two strands of distinctions: between substantial and procedural uncertainty (Dosi/Egidi 1991) on the one hand, and between fundamental uncertainty and ambiguity (Dequech 2000) on the other. These distinctions are central to the following discussion of valuation, cooperation, and competition.

The first distinction, between fundamental and procedural uncertainty, characterizes the international market for antiques in general, and the Russian antiques market in particular. Missing data, and the impossibility of measuring some variables, for instance supply, are characteristic of the market and serve as the sources of substantial uncertainty. When actors are unable to take into account all of the details they need to attribute the authenticity of a piece or to evaluate it, they operate under conditions of procedural uncertainty. In this chapter I present an overview of these sources of uncertainty in the antiques market and show how this is characteristic of knowledge about objects from the past. Dow (1994) considers both forms, fundamental and procedural, to be cases of epistemic uncertainty: the uncertainty that relates to knowledge. I also analyze how market actors try to reduce this uncertainty by quantifying and assigning some probabilities, in particular in the organized, highly institutionalized market segment (Coffman 1991). This type of epistemic uncertainty relates to the quality of objects.

The economic transformation of Russia in the 1990s created a complex environment

comprised of old and new institutional forms and contradicting social devices. Actors, who were often only familiar with a socialist planned economy, had to cope with the gap between their actual competencies and a new environment. This sort of substantive uncertainty was characteristic of the Russian antiques market in particular; a lack of information about supply, and especially about the quality of antiques influenced the choice of devices that actors used to cope with uncertainty. Competition and cooperation among actors were embedded in the conditions of post-socialist transformation. This embeddedness will be analyzed more thoroughly in Chapters 5–7 of the thesis.

The second distinction, made between fundamental uncertainty and ambiguity (Dequech 2000), is important in regards to the problem of valuation in the market. Experts who have some knowledge of art history exploit ambiguous situations. On the one hand, they seldom know all of the information about the value of a given object (a condition of substantive and procedural uncertainty); on the other hand, they know what this value potentially might be, by referring to the existing types of worth of other antiques.

Dealers recognize undervalued assets, for instance, in the low-end segment, and achieve above-normal returns on investments through subsequent sales in more organized and expensive market segments. In cooperation with experts, they use the situation of ambiguity to raise the value of objects when they are the sellers, and to decrease it when they are the buyers. Ambiguity is increased by information about product quality that is asymmetrically distributed among market actors; it is also aggravated by the multiple identities of the latter.<sup>15</sup>

Dispersion among value assessments is achieved by assigning different weights (or significance) to the characteristics that are accounted for in the process of valuation. For example, a seller underlines the historical value of a chair, but a buyer (who may also be a dealer or an experienced collector) highlights its poor physical condition. The situation differs when the buyer is a layperson. In this case a buyer can have a rather vague idea of what the worth of the piece is, and a dealer can use several justifications for assigning it a higher value. Their task is to find common ground, and a corresponding price that matches the judgments of both. In this chapter I will outline the central argument of the

---

<sup>15</sup> The issue of multiple identities of market actors will be analyzed empirically in Chapters 5–7.

thesis as follows: *In the case of uncertain product quality, actors only partly try to reduce uncertainty by any means available in the organized market segment. Simultaneously, they will try to exploit the ambiguity regarding value that is characteristic of the disorganized segment for as long as possible in order to achieve above-normal profits.* This holds true for the whole international antiques market; therefore, I will first discuss this process in general, and then in Chapter 7 I will analyze the mechanisms of profit-making within the case of the Russian market.

First, I will address the main characteristics of the contemporary art and antiques market, and distinguish between different market segments. Little research has been performed specifically on the market for antiques, and most of the available data aggregates information about the international art market in general. However, as I will show hereafter, the latter reflects the most important characteristics of the contemporary art and antiques market. Second, I will analyze how different market actors react to conditions of uncertainty, and how they try to reduce it or instead how they attempt to exploit ambiguity.

#### **4.1. Assessing the Financial Attractiveness of Art and Antiques**

After WWII a growing interest in art and antiques increased the demand for these objects, partly as a result of the post-war accumulation of wealth and the rise in the general level of education in the world. Under the conditions of a low elasticity of supply (the art and antiques market cannot intentionally increase the number of objects for sale to a significant extent), increasing scarcity was a direct consequence of the growing interest, and a reason for stable price growth. The development of information technologies gave consumers insight into the market, its characteristics and, specifically, success stories; this also led to the increase in the number of collectors and consumers. The general assumption that the market prices for art and antiques have a tendency to grow became common knowledge by the 1980s, and this created general expectations, supported by the media, about the profitability of investing in art and antiques.

Analysts supported this popular belief by considering investment in art and antiques to be a beneficial diversification strategy that has a low correlation with the traditional asset

classes that had shown relatively poor performance during financial crises (Keen 1971; Campbell 2009). Fusion of demand from the consumer side (as status objects), with associated attractiveness from the investment side (as an alternative asset class) led the debates about the real rate of return on investments in art and antiques. Therefore, economists and practitioners initiated a search for instruments for calculating these returns and for comparing these with the returns made on traditional assets.

First attempts were aimed at constructing an instrument based on the analogy with financial markets; the aim was to compare the results of the returns achieved in the two markets. In 1967 *The Times Newspaper* and *Sotheby and Company* decided to compile an index to measure the rise of art prices derived from similarities to the *Dow Jones Average* introduced by *The Financial Times* (Keen 1971: 242; Heilbrun and Gray 2001). Commercial interest was supported by academic concerns: in the 1970–1980s a large number of academic papers were published wherein cultural economists extensively discussed the possibility of calculating real rates of return on investments in art and antiques. Different statistical models were employed to estimate risks and returns (creating market baskets, measuring repeat sales, and hedonic regressions). In the following section I will give a short overview of the main approaches to analyzing the market that are provided by cultural economics, and the main statistical tools that actors use to predict price movement over time. The actors try to identify the correlation between the behavior of the art and antiques market and that of financial markets. They also discuss the nature of this correlation, questioning whether the art market follows the major trends of the financial ones, or if art can be considered as an anti-cyclical good that behaves differently in comparison to the majority of market goods. Nevertheless, authors also depict the limitations of regression methods.

#### **4.2. Prices and Economic Cycles: Art and Antiques as Alternative Investments**

At the beginning of the chapter, I stated that the discussion about the *real market value* of art and antiques has received attention in academia and among practitioners since the 1940s. This interest intensified after WWII, when particularly strong preferences were formed for certain schools of art (for instance, impressionist art). This was especially remarkable during the art bubbles of the 1960s and the consequent fall of the market



(Keen 1971). Authors involved in the discussion about the value of art and, specifically, on its accounting and calculation, generally agree on the complex value of cultural goods, which does not always directly correspond with the price. However, they still try to develop mathematical models for building price indexes for some categories of art and antiques in order to predict changes in the investment attractiveness of antiques.

#### ***4.2.1. Returns on Investments in Art and Antiques: Methodological Challenges for Measuring the Worth of Art Objects***

Calculations of returns made on art and antiques are based on the movement of prices; simultaneously, the central problem for predicting price changes in the antiques market is the imperfect nature of information about prices and sales in the past. “The main obstacle to assess the wide-spread view that the purchase of paintings or other objects of art would be a good investment, is the absence of a generally accepted method to measure the increase in the monetary value of these paintings and of knowledge of handling costs” (Fase 1996: 657).

Key sources of informational imperfection are the absence of correct data sets containing precise and systematic information on art prices, and the limited historical data on risks and return (Burton/Jacobsen 1999). Data on prices and risks that are available for analysis are obtained primarily from the published results of auction sales released in sector-specific catalogues. Still, a large number of transactions occur without being mentioned in the statistics. Although the situation in the art market has significantly improved in recent decades (newly produced paintings are always registered), in the market for antiques the data is still fragmented. The most elaborate record is a historical analysis of art prices for paintings compiled by Reitlinger (1961), and based on data from auctions. Since the eighteenth century auctions have been influential institutions in the art and antiques trade. They supply the market with information on transactions, and set approximate price levels. However, much of the data is not taken into account for the reasons indicated below:

*Non-recorded transactions* can take many forms: Some transactions are made privately between two parties. In others, objects circulate not by means of market exchange, but

within a “barter” system amongst a circle of collectors. Or transactions may even be illegal, and are thus kept hidden from the official statistics. Unobserved transactions are also related to sales through galleries and private dealers between auctions (Guerzoni 1995).

*Recorded transactions* are not sufficient for making reliable calculations: in the market for antiques, repeated sales occur after long periods of time, or sometimes do not happen at all – for example if the items are bought by museums. This is complemented by an almost complete absence of reliable information about buyers, sellers, and their characteristics; information on income, the actual price paid, or the time the objects were kept in one’s possession may be missing or incomplete. This information is not revealed even by auctions. The information that can be gathered is typically characteristic of transactions dealing with the most expensive objects.

The next sources of informational imperfection are the high costs involved in purchasing, storing and selling. Auction houses do not disclose the real premiums paid by clients to experts; nor is information on insurance costs available for analysis. This is due to the privacy requirements specified by clients, as well as for security reasons. Therefore, many authors acknowledge that maintenance costs can significantly influence real price estimations in the market, and thus can change the whole picture of price movement. In cases when information is available, there are other challenges besides those already described above: works of art are incommensurable, and their comparison is complicated by the number and variety of valuation criteria used by market actors.

Indexes that will measure the returns on investments should then account for the singularity of the objects and imperfection of information as well as serving as a “judgment device” (Karpik 2010). Four major methods for measuring returns on investments are indicated in the publications by cultural economists and sociologists (Guerzoni 1995; Candela/Scorcu 1997; Fase 1996; Singer/Lynch 1997; Goetzmann 1993; Pesando 1993; Holub, Hutter et al. 1993; Beckert/Rössel 2004). Two of these methods work with the composite indexes for the selected items whose prices will be measured: the market baskets are constructed to be either fixed or varied. These indexes are

calculated on a regular basis to measure the changes in prices for the baskets. The two other methods take single objects into consideration: a repeat sale regression is run by pooling the price data from repeat sales of single objects, and a “hedonic” regression is run based on the various characteristics of an item. A brief overview of the main principles behind these methods will show why such instruments do not precisely predict price behavior.

#### ***4.2.2. Creating “Market Baskets” as a Method of Value Accounting***

“Market baskets” can be fixed or varying: one can include the same types of objects in the sets that are then compared in different time periods. Conversely, different objects with similar characteristics can be included in baskets in different time periods. In the first case, shortcomings are caused by the outdated objects that are included in the measurement (their price can be significantly lower). In the second case, a problem arises concerning quality-standardization of the basket at each point of time. The latter is significantly influenced by the singularity of antiques. This thus results in the question of whether it is possible to create sets of objects that are comprised of unique items, and yet have similar values. Indexes for market baskets have been proposed for different market segments: for the high-end segment, the *Times-Sotheby Index* (Keen 1971); in the mid-range segment, the *British Antique Furniture Index* (Andrews 2006); and the *American Antique Furniture Index* at the lower-end, which is based on the data from estate auctions (Graeser 1993).

*The Times-Sotheby Index* was created in 1968 and covered twelve different fields of art: impressionist paintings, old master prints, English silver, old and modern books, English glass, old master pictures, twentieth-century paintings, French furniture, English pictures of the eighteenth and nineteenth centuries, Oriental ceramics, old master drawings, and English porcelain. This index included items that multiplied in value in short periods of time as well as items whose value did not change significantly. The decisions about which items to include in the Index were made by experts from Sotheby’s; thus the Index was based on the subjective judgments of experts in the field of art and antiques. A remarkable fact about this index is that Sotheby’s abandoned its use after the collapse of the art market in 1990 (Heilbrun/Gray 2001).

Another example of the market basket approach is the *British Antique Furniture Index*, which was constructed by the Antique Collectors Club in 1968. The Index represents a blend of retail and auction prices for “fairly straightforward, good pieces generally available in shops and fairs as well as at auction, market and other sources” (Andrews 2006: 26). The Index takes seven different periods into account: Oak, Walnut, Early Mahogany, Late Mahogany, Regency, Early Victorian, and Country, but it does not contain reference to high-end furniture. As a reference point, the index value was defined at 100 for the base year 1968, applicable for all periods, and included 370 pieces of furniture. Later this number was increased to over 1000, and the index was traced on a five-year basis until 1994, and yearly since 1995 (Andrews 2006). For the lower price segment Graeser (1993) proposed an index to measure the rate of return on *American Antique Furniture* in a similar manner. He assembled portfolios of seven general types of antique furniture based on the data obtained from dealers’ showrooms and estate auctions and reported in Kovel’s Antiques Data Base (Graeser 1993: 818). Then he calculated indexes for each of the furniture types, and created a portfolio based on a specific product mix that was defined for a 20-year period (1967–1986).

The failure of the *Sotheby’s Index* was an indication of the weak prognostic ability of the market basket approach: while it predicts the general trend of a general group of objects, it cannot predict price movement for particular objects in a particular time period. Thus, another approach was proposed in academia to overcome the drawbacks of the market baskets approach: to measure the regressions on single objects.

#### **4.2.3. Value Regressions for Single Objects**

One widely used method for avoiding the drawbacks of generalizations in the market for singular objects (in the form of market baskets or “standard painting” prices) is to run a “repeat sale” regression on particular objects. In the case of the antiques market this method has a significant shortcoming in terms of data collection: most of the existing studies deal with the market for paintings or prints (Goetzmann 1993; Baumol 1986; Frey/Pommerehne 1989a), using price variations provided by auctions. This does not allow for drawing any conclusions about the disorganized market segment with its significant number of transactions. Although a “repeat sale” regression is based on the

data on price variations over a long period of time, and the problem of incomparability of product quality does not arise in this method; nevertheless, researchers are limited to choosing only those items that were sold at least twice during the analyzed period.

Another problem relates to the source of the data: most of the results were obtained from the database on art prices over the last 300 years constructed by Reitlinger (1961). His database also included only auction transactions and only for pieces from fashionable artists. Thus the repeat-sales records will not capture the price fluctuations for objects that are not widely in demand and thus will not reflect the “stylistic risk” (Goetzman 1993: 1371) for the art investor.

The “hedonic” regression index is one of the most favored by critics, and is used to make adjustments for differences in quality among objects. This type of regression takes into account objective, known features of pieces (e.g. style, period, artist, size or the material the object is made of) along with their other characteristics, such as period of ownership. These are translated into variables explaining the actual prices for which the items were sold. Hedonic regression thus estimates an implicit price for these characteristics in the form of regression coefficients, which are then deducted from the effective price of a piece. As Fase (1996) shows using the example of paintings, the price of a 'standard painting' can be established from the annual averages of these differences. The series of standard prices that is thus obtained yields a price index (Fase 1996: 652). Singer and Lynch (1997), using a similar method of hedonic content analysis, point out three main hedonic characteristics: art historical significance, authenticity, and condition. They define art historical significance *ex post* as a number of works of art that are represented in museums and galleries; the authors approach the problem of authenticity in relation to the category of “uncatalogued art”, which is considered to be one of the riskiest investments (Singer/Lynch 1997: 205). Finally, an object’s condition influences its valuation: in the case of stains and scratches depreciation can be as high as 80%.

The significance of these characteristics differs from one art segment to another, and this gives rise to additional ambiguity in the market. On the one hand, buying “uncatalogued art” can create a higher return if art historical significance turns out to be high, or if the

work is proved to be authentic. On the other hand there is potential for embarrassment for the collector if the work is later proved to be a fake. For these reasons, characteristics such as the name of an artist and the size of the painting are also included in the analysis (Chanel et al. 1996). Regressions made on single objects are considered to provide statistically better results, but these methods also have their limitations in terms of prognostic ability.

All of the methods mentioned above (from the market baskets approach to repeat sales) have significant shortcomings concerning the completeness of data and the comparability of the results. However, authors do not agree regarding the rates of returns on investment: to date all studies indirectly support the argument that the market for antiques operates in the context of multiple and competing valuation procedures.

#### **4.3. The Attractiveness of Investments in Art and Antiques from a Comparative Perspective**

During even the most severe crises, art and antiques do not experience rapid price fluctuations and their correlation with traditional investments is considered to be quite low (Campbell 2009). Some authors see a tendency among investors to redistribute their financial assets, investing less in financial instruments and more in alternative investments when financial markets are bad. Singer and Lynch (1997) argue that financial flows into the art market can be observed after a lag of several periods, when the financial market is less attractive and *vice versa*. However, they point out that this relationship can be found only in the high-end segment, while it is not observable in the mid-range and low-end of the art spectrum (Singer/Lynch 1997: 214). Goetzman (1993) demonstrates that the art market is supported by monetary flows from the financial sector when a crisis starts, but just for a short period of time, and then these flows also have a tendency to decline. To clarify these standpoints, I will first analyze the main empirical findings presented by different authors.

Analyzing the rate of return from a historical perspective, Baumol (1986) and Frey and Pommerehne (1989), show the return on investment in art and antiques to be between 0.55 % and 1.6 %. The authors compare it with the return on government securities,

reaching a general conclusion that art investment is not profitable in comparison to other investment instruments. Other researchers argue that the results obtained by Baumol are too generalized. He analyzed repeated sales over 300 years based on the above-mentioned data from Reitlinger (1961). However, as indicated by Buelens and Ginsburg (1993), this time period should be split into smaller periods and the whole array of data into different schools. Consequently, in separate but rather extended periods of 20 to 40 years, the returns on investments in art are higher than those in bonds (Buelens/Ginsburg 1993: 1355). Thus calculations made over long periods of time necessarily cover different submarkets and subperiods: if there were some subperiods with very low prices, they could significantly influence the calculations of the rate of return. Heterogeneous results can also compensate each other and show an average that does not explain any of the periods analyzed.

The attempts to find some conventional interpretation of the investment attractiveness of art and antiques generally lead to conclusions of an “it depends” type. For instance, Singer (1978) points out that trading art “obeys two separate regimes in interrelated markets, the market for consumer services and the market for financial services” (Singer 1978: 21). He thus integrates separate aspects of consumer and financial services present in the art market into a consistent model of consumer choice: characteristics that can be called decorativeness (a set of primary attributes such as size, weight, medium, physical condition, subject matter of paintings, porcelain etc.), and characteristics which the author refers to as intellectual appeal (ascribed name, origin and period, quality of work, reputation of artist, impression in the case of old master graphics). In doing so, he proposes that in a market with professional dealers, such as the one analyzed here, business transactions are made “*as if* there were nearly perfect accord, at least in the short run, concerning the ranking of most characteristics” (Singer 1978: 22). After testing the main hypotheses about the possibility of considering art as a good alternative investment, he comes to several conclusions.

First, given a random choice of portfolios, which is unaffected by exclusive information, financial returns on art tend to be lower than returns on alternative investments; average returns on the portfolio where stocks and bonds are equally represented, for example,

have yielded 2% more than the average return on the entire art portfolio (Singer 1978: 34). Risk premiums tend to be higher in the cases of highly probable misattributions and declassifications. The author insists, that this is the reason why even an unknowledgeable investor will have higher returns on his portfolio including art than on the one comprised of risk-free instruments (Singer 1978: 37). Furthermore, investing in art has positive liquidity, and a positive characteristic of real wealth preservation compared to money. Such considerations underline the heterogeneous character of the international art and antiques market, leaving quite a narrow space for quantitative modeling: primarily in the high-end segment of masterpieces, where fluctuations in demand and prices are hardly expected.

However, Coffman (1991) shows, that the best bargains are recorded in the lower-end and disorganized market segments, although they do not receive special attention from rich investors. Additionally, he insists that record price reports in the high-end market are no more than the marketing strategy of auction houses. In fact, on a more routine basis, the return on investments in the organized market segment is lower than in the mid-range or low-end segments. I will discuss different market segments further in the Section 3.4.

These contradictions have several different causes: First, as was previously mentioned, the market segment, which is taken into account, does not represent the whole market. Second, the attempts to quantify such characteristics as art historical significance and psychic return on investment are a good example of “mathematical formalism” (Dow 1994) that results in the reduction of differences between objects. Third, the process of qualifying goods as antiques involves different groups of actors making different judgments of value and using collective calculative devices.

The last argument leads to an understanding of the importance of taking structural characteristics of the market for antiques into account: market segments are institutionally different, but the goods are not restricted to the borders of the segments. When an undervalued asset is recognized in the lower segment, the object is re-qualified as a more expensive item and is sold in a different segment. Conversely, when a fake is detected in the high-end segment, it is removed from the market. Thus the competences and identities



of market actors are important structural characteristics: as I will show later, the mixed identities of market actors make valuation of goods on the market ambiguous. Market actors take steps towards uncovering lacking data and enriching the existing knowledge about the objects; but at the same time, market exchange occurs in the *spaces of ambiguity* (Stark 2009), which allow entrepreneurs to achieve the above-mentioned bargains due to the existence of undervalued assets and information asymmetries.

#### **4.4. The Contemporary Market for Antiques and Its Main Characteristics**

Structurally the international market for art and antiques consists of three main segments – high-end, mid-range, and low-end – that are defined by the quality of the objects traded and by the level of institutionalization of trade. I use the latter criterion according to the distinction between organized and disorganized markets proposed as by Coffman (1991). By organized markets he means, generally, the highly institutionalized international market for art and antiques that is mainly represented by the top auction houses. Value estimations in this case are less subject to fluctuations. By contrast, the disorganized market segment is characterized by a large number of undervalued assets, and thus creates opportunities for bargains. This segment is comprised of different forms of small-range and predominantly local forms of trade. High-end antiques are usually traded at auctions such as Sotheby's and Christie's in London and New York, and in special galleries and salons. Mid-range antiques are traded, for instance, at Christie's in Amsterdam, at antiques galleries and their auctions, malls, shops, and by freelance dealers. Low-end antiques can be found in small shops (often in provincial cities), as well as at flea markets and garage sales. The degree of uncertainty of valuation and price setting increases from the high to the low-end segment.<sup>16</sup>

The challenge for traders in the art and antiques market is to be able to find undervalued pieces, and to subsequently sell them at higher prices. As Coffman (1991: 84) demonstrates in his analysis of the US market, conclusions about low returns on investments in art and antiques are based on the analysis of the well organized,

---

<sup>16</sup> Although there are other classifications of segments (see Robertson 2006), I will refer to the three described above. In the art market in general there are more segments because contemporary art adds more criteria to distinguish between market levels. For the study at hand, however, these are insignificant, and I will therefore refer only to these three levels.

structured, and sophisticated international art market. This is rooted in the fact that a lower level of uncertainty consequently lowers the possibility of extremely high returns. But along with the organized market, the author argues, a disorganized market exists in the form of garage sales, flea markets, small antique shops and provincial auctions. In the disorganized market the possibility of finding bargains creates above-normal returns on investments. Such an above-normal return is generated by the asymmetrical information about the value of art and antiques. Recognizing a bargain becomes a part of the dealer's job. But, because of the specificity of antiques as multidimensional objects, agency in the market presupposes knowledge and expertise in the field of art. These considerations lead to the discussion about the main market actors presented below.

#### ***4.4.1. Market Actors***

Horvitz (2009) defines the following market actors: collectors, museums, casual buyers, dealers, art fairs, auction houses, investors, art investment funds, consultants and advisors. Governments and international organizations should also be added as two interest groups that influence the market by restricting the circulation and export of objects classified as “goods of cultural interest” or “cultural property” (Frey/Pommerehne 1989b). These actors represent a formal, legal part of the market. Informally, individuals involved in forgery and the distribution of these counterfeits are also market actors; in fact, as long as the fake is not recognized as such, it can be traded in the legal market segment.

The supply side of the market is represented by the owners of antiques (collectors and holders of single items), owners of antiques shops and galleries, consultants, auctioneers, art experts, individual freelance dealers, art historians, museum experts, and restorers. They all have different resources or skills that are traded in the market: objects as such, information about the sources of supply, art historical and technical expertise, or restoration skills. Some of the actors have several skills and thus can switch between different markets or expert roles.<sup>17</sup>

---

<sup>17</sup> In the interviews experts often start by stating the identity they will speak for. “As an art historian I know...” or “as a private person I believe that” or “as a state expert I am convinced that...” In some cases a number of such statements occur within one interview.

The demand side is represented by individual consumers (collectors and sporadic buyers), owners of antiques shops and galleries, consultants, auctioneers, individual freelance dealers, museum experts, and restorers. They are all interested in buying antiques for the reasons mentioned above. Depending on the situation, one actor can be a certified art expert conducting provenance research at some famous museum before the next exhibition. In another situation this person is a professional restorer who was asked to assess the possibilities and costs of restoration. Furthermore, the same person can also be the owner of the piece for sale, or a consumer purchasing an old piece for further trading. The mixed identities of the actors allow them to switch between judgments of value. In most of the cases, switching between these judgments changes the pricing of the piece.

Although this market is considered to be demand-determined due to its fixed supply, “upward and downward shifts in the value of commodities are determined [...] by the commercial and public institutions represented by players working for these institutions” (Robertson 2006: 22). In his analysis of the international art market Robertson differentiates between commercial and institutional “players” in the market. On the commercial side the market is dominated by auctions, in particular, by two companies – Sotheby’s and Christie’s – that constitute a duopoly. Yet, an uncountable number of dealers and brokers operate in all market segments, which they do not allow auctions completely to dominate. On the institutional side, supranational bodies (UNESCO and Interpol) and national organizations are acknowledged as influencing the valuation of art and antiques. As Robertson argues, institutional players construct a system of controls that restricts the entry of artists, artworks, antiques and antiquities onto the art market (Robertson 2006: 21). The public sector also intervenes by re-attributing works of art to famous artists or by announcing mistakes in attribution. In this vein, research on provenance became an important activity in many museums in recent years. In the following sections I will describe the main market players and their behavior in regard to problems of uncertainty and ambiguity.

### *Commercial Players: Auctions and Dealers*

Auctions are the central mechanisms that influence pricing in the international art and

antiques market. They are “processes for managing the ambiguity and uncertainty of value by establishing social meanings and consensus” (Smith 1990: 163). A record of history of the price of items traded at auctions is in many cases available and thus it seems to be relatively easy to figure out a “fair price” for analogous objects. However, objects that come to the market in different material conditions and circumstances cannot be treated equally. This means that there can be contradictory interpretations by experts, which enhances uncertainty.

According to Smith (1990), auctions rely on three sources for setting values: they rely on the tastes and interests of buyers, on the collective judgments of recognized experts, and on past transactions. In other words, auctions are based on a conventional understanding of the value of goods (Keynes 1967) or on shared mental models (Denzau/North 1994). But, although they are an important factor, past transactions and conventional understandings are not always decisive factors.

Underlining the character of the goods traded at auctions, Smith (1990) argues that the inability to ascribe goods a certain value can originate from several sources that were already mentioned in relation to the antiques market: doubts regarding the inherent value of the goods, uncertainty over supply and demand, problems of classifications, or combinations of these factors. Smith discusses a unique feature of the auction trade that distinguishes it from other forms: in auctions price is used to determine the value. “Rather than using consensual principles of what constitutes objective worth to establish price and ownership, auctions, through competitive bidding, seek to establish standards of worth through price” (Smith 1990: 16). In case of auctions where one-of-a-kind or very singular items are traded (like antiques), the price tends to be determined by those who are competing to become an owner of an object (Smith 1990; Horwitz 2009). In this case past transactions and prices do not matter: “With no market, no basis for comparison, and no means for the collectivity to enforce its judgment [...] individuals are free within their financial limits to assign value as they choose” (Smith 1990: 173). Special, rare, and unique objects are assessed individually as valuable, but competitors influence the price. Not a consensus about the unique qualities of an object, but a competition for possessing it, resolves the problem of uncertainty. By setting a high price, an auctioneer makes a

claim about the high value of a piece, and participants can only decide who wants to enter the competition.

For this reason auctioneers are always searching for new and rare items. As long as items are incomparable, price setting in every single case is also unique and cannot be aligned with any trend. When there are many similar objects for sale, and they can be compared, the potential profit to be made from the sale of an item decreases, and consequently the value of the objects decreases too. Therefore, the antiques market needs dealers and brokers who provide an anonymous, private context for market transactions. Smith (1990: 15) refers to these transactions as “private treaty exchange”. He notes that in these situations the price offered and the sale price are of secondary importance: the primary concern is the controversy over the qualities of an object. Whereas at auction there is no negotiation about an object’s qualities, these negotiations are the most important feature of private sales.

#### *Dealers and Brokers*

As mentioned in the above, dealers and brokers comprise a very important group of players in the international art and antiques market. The difference between them is that dealers buy and often then retain items for a long period of time. Brokers, in contrast, are looking for short-term intermediary functions: they are often working for wealthy clients, and are interested in reselling everything they find. Robertson (2006) argues that the strategies of dealers are opposed to those of brokers and auctions in the market. The latter both are looking to maximize prices, whereas the former is trying to stabilize prices, sometimes by withholding or increasing supply onto the market. Although Robertson does not give an explanation for such dealer behavior, he mentions incentives for dealing in the art market in general: “the excitement of trading in a unique commodity, the intellectual appeal of art and the opportunity to be privy to privileged information” (Robertson 2006: 24). Therefore, for dealers it seems to be more than just business. Velthuis pinpoints this difference by distinguishing between promoters and parasites:

Art dealers maintain that gallery prices, the prices of the promoters, are set with a long-term orientation in mind, focusing on stability, trustworthiness, and care for the artist; auction prices, by contrast, the prices of the parasites, are perceived as short-term prices, directed at maximizing profits. (Velthuis 2005: 89)

Although this comparison is made regarding the market for contemporary art, it also holds true for the antiques market. As I will show in the empirical chapters, when market transactions take place within networks based on reputation and trust, the parasitic strategy does not bring an actor any dividends. Many antique dealers built long-lasting business relations with their clients, while others use short-term business strategies. The importance of dealers for the research at hand is rooted in private treaty exchanges where buyers and sellers “share certain general criteria and assumptions of evaluation, such as those related to quality of materials, workmanship, and availability” (Smith 1990: 15). Based on these general criteria, they solve the issue of quality judgments during the bargaining process. Price negotiations are thus based upon agreements about the qualities of an item. In the situation when a buyer and a seller do not possess equal information and knowledge about antiques, the best bargains are achieved: dealers exploit ambiguity to justify higher prices in the case of a sale, and a lower price when they are buying.

#### *Institutional Players: Governments and Museums*

Measures in the domain of heritage protection can significantly influence the valuation of particular art and antique objects. Decisions about cultural heritage policies are often influenced by the behavioral anomalies of endowment and commercialization effects (Frey/Pommerehne 1989b). The endowment effect means that the same object has a higher price for an individual when it is in her possession, and a lower price when it is in the possession of someone else. In practice this means that the seller feels “forced” to sell at the price offered, and will not sell voluntarily. As Frey and Pommerehne (1989b) show, “it is possible that the owners of pieces of art may be prepared to sell them in the international market, but at the same time may be willing to support political action envisaging export restrictions of such art” (Frey/Pommerehne 1989b: 125). This effect can also take place at the collective level, where it is displayed in the form of “*patrimoine national*”. A commercialization effect is connected with the refusal by the majority of the population to use the price system, in particular, that present in the art field. “The market

is considered a *public bad* in the case of art, reducing welfare. Even those engaging in the market may not like it, and may resort to non-market action in order to restrict it” (Frey/Pommerehne 1989b: 126). The two effects together contribute to the hindrance of development in the international art market.

The activities of museums and other public institutions in the field of art significantly influence the circulation of goods in the market. By purchasing art objects or organizing exhibitions museums can increase their art historical value and thus prices. However, funds for purchasing art are quite limited, at least in Europe. This forces museums, which compete within the market with other art institutions and private collectors, to wait for the prices of specific objects to go down or to buy at lower prices the objects that are not at the peak of high fashion. In some cases they obtain objects in the form of donations. These transactions do not therefore have a price that can be recorded for use in subsequent sales. Logically, by selling objects from their own collections they could act on the market, trying to decrease the prices. But this is not possible in the majority of cases due to the restrictions on “deaccessioning” – exchanging or selling artifacts. This means that an object acquired by a museum is subjected to the “accessionism doctrine”, which does not allow for selling or exchanging the object. Most European museums are public and state sponsored and thus do not sell their works of art (Horvitz 2009). As a result, they become storage for large stocks of art: metaphorically they are even considered as “storehouses of value” (Elliot 1998: 119).

National heritage protection policies are the context for “accessionism”. Governments set the above-mentioned limitations on selling valuable art objects from museums, and also regulate market transactions among private actors, or between private actors and museums. Groups of legitimized experts create lists of objects that are cultural heritage, and those that may be potentially qualified as cultural heritage. Restrictions on exports are defined accordingly: in the majority of countries exporting objects from the first list is forbidden.

Furthermore, the absorption of a large number of art objects by museums and thus their withdrawal from market circulation influences not just the valuation of these or

analogous objects. First, the number of illegal transactions also grows: restricted objects are smuggled using organized channels for contraband. Some objects are stolen and kept in private galleries. Second, the range of objects that are considered valuable is extendable: when there are not enough Chippendales on the market, less valuable and more recent objects are included in market transactions. These factors also increase uncertainty in the market, especially regarding incomplete information about the supply and quality of objects.

#### **4.5. The Role of Incomplete Information in Market Coordination**

In this section I will continue with the discussion about conditions of uncertainty and ambiguity in the market for antiques. The first source of uncertainty was already discussed and is connected to the lack of statistical data about the market; namely, incompleteness of historical data on sales in art and antiques. World history is neither entirely precise, nor is it complete; therefore, knowledge about some famous objects exists, but information about the majority of antiques cannot be found in official records. Research on provenance that is conducted by many museums and experts, as well as the institutionalized register of objects created by museums, auction houses, and collectors all aim at reducing this type of epistemic uncertainty. Still, these measures cannot completely eliminate it due to the existence of the disorganized market segment: the potential for new discoveries is one of the market characteristics that make bargains possible, but it also increases uncertainty.

Lack of information about the specific qualities of the objects is another source of uncertainty. The specialized characteristics that should be taken into account during attribution are part of expert knowledge, and are often transmitted in the form of tacit knowledge. This knowledge is unevenly distributed among different market actors, and creates an asymmetry of information that influences processes of market competition and coordination. Attribution of antiques requires expert knowledge in the field of art, and experts are naturally in a more advantaged position than laypersons.

Objects enter the market as a result of their qualification as antiques, and their age is often used as a primary criterion for this qualification. In contrast to the well-known



masterpieces, most antiques, especially furniture, are attributed based on the systems of classifications according to styles and periods. An expert has to be familiar with the main stylistic characteristics (elements used, types of wood and decoration), as well as with the whole process of furniture production and its specificity. In order to correctly attribute a piece one should not only know that, for example, tortoiseshell was used in the French *Boullé* furniture of the seventeenth century. An expert has to be aware of the changes in condition caused by natural ageing of the material: under certain circumstances tortoiseshell changes less than, for instance, softwood, and thus the authenticity of a “nice looking” piece is immediately doubted. An expert also has to be aware of the existence of *Buhl* furniture, which was an imitation of the original *Boullé* style, produced using cheaper materials and technologies (one of the centers of its mass production was in Poland in the nineteenth century). This information is presented in numerous publications with titles such as “John Bly’s Antiques Masterclass: Dating and Identifying Your Period Pieces” (Bly 2005).

Nevertheless, an ordinary consumer is unable to attribute a piece with complete certainty and there is always a possibility of fraud (in the form of a counterfeit or a false attribution). According to the estimates by various experts, in different segments of the market up to 80% of antiques are faked. Counterfeiting relates to different qualities of antiques: a piece can be replicated (completely or partly) and sold as an original, or some qualities can intentionally be falsely attributed (period, style, creator). The probability of buying a fake varies in different segments of the antiques market, and depends largely on the contemporary fashion. Consequently, information about the segments (such as Chinese antiques, for instance) that are subjected to high degree of counterfeiting can also influence the quality uncertainty in the market.

Institutions that are created in order to solve these types of problems do not provide perfect solutions. In many cases, as shown above, their activities create additional complexity in market transactions. Auctions, galleries, shops, and museums rely on the knowledge and skills of particular experts, who are legitimized to make judgments about quality. Despite many attempts to find standardized procedures for measuring objective characteristics, the results are often too general to provide answers about the market for

singularities. However, the market functions and even during financial crises it remains comparatively stable. What are the mechanisms then that coordinate the market? How are commercial and institutional actors involved in market transactions? What are the tools that help dealers to promote sales in private treaty exchanges despite asymmetrical information about object qualities? These questions are scrutinized in the following chapters based on the example of Russian antiques market.

## **5. Beautiful and Dangerous: An Empirical Study of Antiques Market Coordination in Russia**

What was the probability that you would not be killed or imprisoned? It was very low. But there was a drive, a desire to dig for gold. (I-20, author's own translation)

The contemporary antiques market in Russia emerged at the beginning of the 1990s, and since then it has experienced difficulties with market coordination. As I indicated in Chapter 3, historical events influenced the formation of market institutions and attitudes towards objects from the past. At the moment of market emergence in the eighteenth century luxury goods, and antiques as a particular category thereof, were welcomed as symbols of western civilization and its values. Russian Czars believed that cultural changes would help to modernize Russia. After the Russian Revolution of 1917 these objects, together with the Czarist past, were ideologically rejected by the Bolsheviks. During the seventy-year period that followed the Revolution, attitudes towards these objects changed; they shifted from initial hostility (in the 1920s) to acceptance – as a part of comfortable home interiors (during Stalin's Cultural Revolution) – to substitution by a more minimalistic aesthetic (in the 1960s). By the end of the 1980s the general understanding of antiques as status symbols and valuable symbols of Russian and World history had gradually reemerged. Therefore, I will analyze the Russian market, at the beginning of the 1990s, as one where social devices – habits, institutions, structures, and power (Beckert 1996) – were absent or unable to reduce uncertainty.

The following three chapters tell the story of the attempts to institutionalize and formalize the market, where product quality uncertainty, distrust, and the weakness of institutions are the main barriers to market development. Using qualitative interviews with different market actors I examine the contemporary antiques market in Russia to indicate its similarities and differences from the international art market. I also describe the valuation process in the Russian context as embedded in all of the types of uncertainty and ambiguity that were discussed in Chapter 4. These types of uncertainty are analyzed in respect to the problems of expertise and detection of fakes and copies; real and imagined personal experiences connected with antique objects; as well as with the educational role

objects play in the market. Mechanisms and market tools that help actors to cope with the situation of high quality uncertainty in the Russian market are also discussed.

The central argument of the empirical analysis is that the market is a social game, a quest, in which different groups of players are involved (dealers, experts, restorers, and buyers). Market context and the process of antiques valuation create ambiguity and mystery that accompany transactions. Institutions supposed to reduce uncertainty are not successful enough; therefore, networks are the main mechanism that on the one hand reduces uncertainty, but on the other – favors ambiguity. Market actors use a specific market tool – storytelling – along with other judgment devices (Karpik 2010) to help them to reduce and exploit uncertainty at the same time in order to achieve both market coordination and the possibility of above-normal returns on investments.

The resulting paradox of the market is indicated as follows: experts and dealers are interested in reducing uncertainty as long as it leaves an opportunity to exploit ambiguity in order to gain profits. The need for intermediaries in the process of attribution is the main reason for this ambiguity and also causes asymmetric information in the market. For art experts, restorers, and some other representatives of the expert community, knowledge about antiques is an asset that they sell to dealers and consumers in the form of an expert verdict about the authenticity of an object. Therefore representatives of the expert community are often not interested in the complete transparency of knowledge.

### **5.1. The Antiques Trade as an Illegal Market in the Soviet Union: Main Features, and Consequences for the Contemporary Market**

When conducting interviews, I never posed questions about illegal activities in the antiques market in Russia, nor did I attempt to ask about fraud and fakes. My primary goal was to find out the principles of valuation of antiques, in particular furniture. Plus, many market actors had warned me against mentioning the illegal dimensions of the market for two reasons: informants do not like to talk about crime, and they may even stop the interview if they feel that the discussion is leading in that direction because they may misunderstand my intentions. However, even discussions about the value of furniture pieces often led to the topics of fakes, fraud, and illegal market transactions. It

became clear in the process of interviewing, that the illegality of the market in the Soviet period and afterwards created a larger context, in which the market operates, namely a generalized distrust of institutions and persons (Radaev 2004, 2005). The market for antiques in the early 1990s was not only risky, it was in many cases dangerous, and was associated with organized crime. This had a significant impact on the processes of competition, cooperation, and valuation. In the following sections my description of this context is based mainly on information published in the media, and in academic papers.

### ***5.1.1. Structural Preconditions of the Antiques Market in the 1990s***

The antiques trade in early Soviet times, and the ideological rejection of antiques in the 1960s were already discussed in relation to changes in valuation of such objects. The illegal market for antiques had already emerged during the Soviet period: the problems of competition and cooperation that the contemporary antiques market faces also have their origins in that time.

By the 1990s the activities of Russian organized crime became widespread within the international market for art and antiques. For instance, the *Solntsevskaya* gang, one of the most powerful organized crime groups in Russia, was involved in illegal trafficking of antiques along with cars and arms (Shanty 2008: 150). Fear of the Russian Mafia and its activities was prevalent in many foreign countries and supported by publications in the media. *The Village Voice*, a New York newspaper, reported in 1998 on Semion Mogilevich, one of the most influential Russian mafia bosses, and his business:

The business, according to classified FBI documents, was to serve as a front for the acquisition of jewelry, antiques, and art, which the Solntsevskaya mob had stolen from churches and museums in Russia, including the Hermitage in St. Petersburg. The gangsters also robbed the homes of art collectors and even broke into synagogues in Germany and Eastern Europe to steal rare religious books and Torahs. (*The Village Voice*, 26 May 1998, Robert I. Friedman)

Persons belonging to an international criminal organization including a few Russian-speaking members were arrested in Germany in 1993: they were caught smuggling Russian icons and antiques to Germany and Italy at the request of their clients (Siegel et al. 2003: 59). As a consequence, a business that dealt with Russian antiques, or one that

was run by Russians, was largely associated with the activities of the Red Mafia not only in Russia, but also in the US and in Western Europe, in particular, in Germany.

The criminal ties of certain sectors of the antiques market influenced the ordinary public's perception that this was true of all of its segments: many dealers and representatives of the state acknowledge that the antiques trade is negatively portrayed in the mass media and in public opinion (Skurlov 2001: 9). One article from a Russian newspaper in 2007 started with the following passage: "Dissolving the grim shadow of criminality cast over the Russian antiques market – this attempt was made by participants at a discussion yesterday that was devoted to the further development of this mostly closed market. But they did not succeed" (Rossijskaya Gazeta, 22 March 2007, T. Zykova, author's own translation).

References to the context of market development are important for the understanding of the coordination problems that the market faced at the beginning of the 1990s. Shlapentokh describes this context as "the dramatic spread of corruption among officials at all levels and business people as well as [...] the blending of bureaucracy and business with criminals" (Shlapentokh 2005: 3). Organized violence outside of official state enforcement developed into a "violent entrepreneurship", "a set of organizational solutions and action strategies enabling the conversion of organized force (or organized violence) into money or other market resources on a permanent basis" (Volkov 2002: 83). This and other forms of illegal activities filled the gap between grassroots networks and modern organizations: Russia was suffering from a "missing middle" (Rose 2000: 151).

In the Soviet period legal market institutions were not developed, and individual trade was prohibited; meanwhile, an informal and partially illegal market emerged. Cooperation and competition in the market were often coordinated according to the rules of criminal organizations. Although the state tried to interfere in the process, it did not succeed. After the collapse of the Soviet Union it was almost impossible to control the illegal flow of objects at the borders: "customs officials managed to seize more than 400,000 antique art objects last year [1993]; no one knows how many others sneaked through. The Soviet Union's internal borders were as porous as those between U.S. states,

and the Soviet collapse left Russia with 8,400 miles of new international frontiers” (Corwin/Stanglin 1994: 36). Danger and risk became synonymous with market transactions, making the problem of trust central to market cooperation.

Smuggled art and antiques were mainly expensive items, and thus the term “antiques” was normally associated with high-end objects. For that reason, criteria for valuation were not developed in the middle, household segment. At the same time, in the high-end segment mainly illegal market actors, museum experts and collectors were familiar with the criteria for valuation. Hence art historical expertise existed within the system of museums and higher educational institutions, and commercial assessment was rooted in informal practices. As a consequence, a problem of coordination between formal and informal procedures of valuation arose.

In the next sections I will discuss the formation of the market as a combination of entrepreneurial activities of market actors, and attempts of the state to impose limitations to the exchange. Although I will have to make references to the “criminal shadow” cast over the antiques trade, especially when this is mentioned in the interviews; this will mainly be considered as an integral to the institutional and cultural context that predetermined defined the problems of cooperation and valuation.

## **5.2. The Structure of the Contemporary Antiques Market in Russia**

As described in Chapter 4, the structure of the international market for art and antiques is best described by the assumption made by Coffman (1991) that there are two main segments to the market: organized and disorganized. Large international organizations, auctions, and fairs represent the highly institutionalized, organized market segment; retail dealers, small shops and other forms of trade represent the disorganized one. These segments are interconnected, and this link creates the opportunity for achieving high profits. In Russia the distinction between the organized and disorganized segments is blurred due to the country’s historical development trajectory, and by the development path of the antiques market in particular. In the Soviet period the whole market was, technically speaking, disorganized, and at the end of 1980s no formal institutions of the antiques trade existed.

After the law on liberalization<sup>18</sup> was adopted in 1990, everyone was allowed to become an entrepreneur. A large number of antiques shops were opened in the same period. In some cases this involved a legalization of dealers' previous activities, which had originated in the Soviet period; in others some dealers (although very few) decided to start new businesses. Both sets of actors immediately faced the facets of an emerging market economy that were described above: the absence of formal institutions and violent entrepreneurship. As one of the informants mentioned, individuals belonging to the local protection racket would visit the newly opened antiques shops in Saint Petersburg on the afternoon of the day that the businesses were officially registered with the local authorities.

Since 2002 the antiques trade in Russia was no longer a licensed activity, meaning that every individual could sell and buy objects of art and antiques without registering a shop or a gallery; it then becomes impossible to estimate the number of transactions that take place but are not recorded anywhere. The state controls mainly export/import operations by setting restrictions on the export of goods of cultural importance and by collecting taxes from most of the imports. State institutions are also involved in providing expertise.

As stated earlier, I consider the structure of the market in Russia as generally similar to the international art and antiques market. Three main segments: high-end, mid-range, and low-end, are mainly distinguished by the differing quality of antiques and forms of trade. These segments are distinct in terms of their volume of sales and the character of objects from those in the international market.

The most significant differences are observed in the mid-range, and low-end segments. While in Western Europe and the US treasures are often discovered in the low-end segment – in the attics, garages, and on flea markets – in Russia this segment of the market is almost entirely missing. There are a few flea markets in Moscow and Saint Petersburg, but even they are flooded with junk. The idea of garage sales, or estate sales does not exist as such. Except for the stories from the 1960s about the discoveries made

---

<sup>18</sup> The Russian Law on Enterprises and Entrepreneurial Activity was adopted on December 25, 1990 (N 445-1) and allowed for all types of individual entrepreneurship.



at garbage dumps, there is no information available about cases where someone's possessions were sold in the above forms, which are known in the Western Countries. The middle market segment, that I described as mostly comprising household antiques in the case of Western Europe and the US, is comprised in Russia mostly of fakes, reproductions, and heavily restored items. Sometimes items that are in bad condition can be also found in this segment. Distinct types of fakes, copies and reproductions will be discussed below. The important point here is that this segment is also very narrow and is characterized by the low quality of objects on the market.

By 2005 around 560 different salons, galleries, and shops of different sizes were operating on the market (Nazarevskaia 2006: 140). Although experts do not agree on the exact numbers – for example the official web site of the auction house *Gelos* estimates the number of organizations that trade antiques at around 400, whereas the number of individual dealers is around 5000<sup>19</sup> – they acknowledge that this number is extremely low in comparison to the European centers of the antiques trade and other capital cities. There are a large number of individual antique dealers who are important market actors that are nevertheless unaccounted for in official statistical reports, and this additionally enhances uncertainty. Such a combination of organized and disorganized actors in the market increases uncertainty for all of its participants.

The market is also structured geographically: Saint Petersburg is traditionally considered to be the “supply side” or a source for the antiques market, and Moscow constitutes the “demand side”: most of the valuable objects are bought on the St. Petersburg market by rich Muscovites. This distinction is historically connected to the status of Saint Petersburg as a capital city of the Russian Empire; in particular this refers to the periods of intensive imports of antiques from European countries (18<sup>th</sup>–19<sup>th</sup> centuries). Also, a large number of the workshops responsible for producing furniture and decorative objects for the palaces that were built in the new capital resulted later in a large stock of “Russian antiques” – that often display the unique fusion of European styles with architects' and craftsmen's innovations. In what follows I will discuss the distinctions between the market segments as represented by different forms of trading.

---

<sup>19</sup> Source: <<http://www.gelos.ru/about/index.shtml>> (last accessed 21 September 2010)

*Mega-dealers, Auctions and Art Fairs: The High-end Segment of the Russian Antiques Market*

The high-end segment is described with some recognizable names, “megadealers” (I-13), expensive galleries, and auctions. This segment is often associated with trading “palace antiques”: parts of the interiors of the Czar’s palaces, and the remains of private collections of the Russian nobility. These items are traditionally traded by Saint Petersburg dealers (Nazarevskaia 2006: 140). Prices in such shops and galleries can reach sums in the hundreds of thousands of euros; the objects are normally presented in very good condition, and are, as rule, authenticated (which still does not guarantee that they are not fakes).

The auction trade in Russia, specifically in Saint Petersburg, is characterized by irregular (I-23), and by questionable transactions: informants insist on frequent misattributions (the objects are wrongly dated) (I-3), or just refer to the known auction houses as “arrogant swindlers, stuntmen”(I-12, author’s own translation). The quality of objects is considered as average, while the prices are high (I-22). The oldest, regularly trading auction house in Russia is *Gelos*. It was established in 1988, and it holds about 120 auctions annually with approximately 50 000 objects.<sup>20</sup> Sales are not the only activity undertaken by the auction house: it also runs an educational program for appraisers in art and antiques.

Famous international auctions have offices in Russia as well (Sotheby’s offices opened in May 2007, and Christie’s in 2010) but they mainly serve the function of assisting Russian-based and international clients.<sup>21</sup> These services take the forms of consulting private buyers and sellers, and organizing exhibitions in Moscow and Saint Petersburg with the future from auction lots from West European and US centers. Although the Russian market is one of the biggest sources of demand for high-end art and antiques – in particular, for the Russian art and antiques – the role of auctions in the market is still

---

<sup>20</sup> Source: <<http://www.gelos.ru/about/index.shtml>> (last accessed 21 September 2010)

<sup>21</sup> Source: <[http://www.sothebys.com/app/live/office/OfficeNonAuction.jsp?office\\_id=218](http://www.sothebys.com/app/live/office/OfficeNonAuction.jsp?office_id=218)> (last accessed 19 September 2011) and <[http://artinvestment.ru/news/auctnews/20100414\\_christies.html](http://artinvestment.ru/news/auctnews/20100414_christies.html)> (last accessed 19 September 2010).

small.

Annual trade fairs have become a more common form of trading that have, to a certain extent, substituted auctions and that function as a point of reference for market actors. The *Antiques Fair in the Central House of an Artist* in Moscow was founded in 1996 and is held twice a year. Almost all of the participants at this event represent Russian galleries and auctions, and the majority of the objects displayed for sale are Russian art and antiques. This fair became not only the place where the market transactions occur; the event also became a forum for dealers to bring their news and concerns to the public, and to make clients aware of the latest market developments. *The Moscow World Fine Art Fair* was founded in 2004 and represented an attempt to attract foreign participants to the Russian antiques market. It was held last in 2007 where 6000 objects were exhibited, and valued at more than 1 billion Euros; support for it was cut in 2009 as a reaction to the global financial crisis and because of the weakening support of the sponsors.<sup>22</sup>

Although such events create a forum for sellers and buyers that helps to benchmark prices, they still only occur at the national level and do not fully represent tendencies in the international market for art and antiques. This is due, first of all, to the legislation on exports of goods of national cultural heritage as well as that regulating imports of arts and antiques.<sup>23</sup> International auctions are not fully present in the market, and the local ones are still not trusted by consumers. In recent years, rich clients have started to buy directly from European and American auctions, and thus the latter do not need to open sales rooms in Russia. Gallery owners and “top-dealers,” who participate in the local Russian

---

<sup>22</sup> Source: <<http://www.moscow-faf.com/DesktopDefault.aspx?tabid=1>> (last accessed 20 September 2010).

<sup>23</sup> According to the *Customs Code of the Russian Federation from 28.05.2003* (№61-Ф3, Article 282, Part 1, author’s own translation) imported art and antiques are subjected to the following rules:

- if the value of the object does not exceed 65 000 rubles, it can be imported without a customs declaration;
- the object, whose value exceeds 65 000 rubles but is less than 650 000 rubles is subjected to a 30% customs payment, unless it is declared by the owner as an object of cultural value;
- if a customs officer doubts that an object is of cultural value he/she can insist on the payment of a customs tax, or a certified art expert can be involved in the valuation procedure;
- if an object is acknowledged as having cultural value and the owner is trying to sell it through an antique shop or auction – if the case is detected by the officials, an administrative penalty can be applied to the owner.

events, are often recognizable public persons; some are members of professional associations for antique dealers, and of emerging organizations that aim at coordinating the market and reducing uncertainty.

#### *The Focus of Ambiguity: The Mid-range Segment*

The middle level of the antiques trade is represented by antique shops, the majority of which are located in Moscow and Saint Petersburg. This is a very heterogeneous part of the market, where prices and assortment also significantly vary. The market is host to both bigger shops that only have small “antiques sections” as well as to shops that were familiar to customers already in the times of the Soviet second-hand trade. These shops are rarely specialized, and trade varying types of objects from jewelry to Soviet memorabilia. The quality of goods in this segment is debatable: while only few objects have a known provenance, many of them are overpriced. This segment also includes individual freelance dealers, who help to circulate the goods from one shop to another and to clients, thus functioning as intermediaries in transactions.

#### *Turning Trash into Cash: The Decreasing Role of Flea Markets*

Low-end dealers, those who work “in the field” (I-23), search for antiques at flea markets, second-hand shops, and even at garbage dumps, although the latter is more of an stereotypical characterization that originated in the 1960s. Some experts call them “shuttle-traders”(I-13). They usually try to sell their occasional discoveries to antiques shops. The role of flea markets is decreasing in the Russian case: one reason for this is that there is still no significant flow of new objects from private households or from abroad.

The three distinct levels of the antiques market in Russia are interconnected: informants acknowledge that objects circulate between auctions, shops, and dealers.

*Q: Are these forms of trade somehow connected: auctions, shops, and flea markets?*

A: Of course they are. Our directors buy something at the auctions only to sell it later in the shop. Or they buy from other shops. For example, these antique fairs that happen twice a year: the participants monitor each other before the opening, and report about

who buys what from whom. And later they display it themselves.

*Q: Are the shops somehow connected with flea markets?*

A: You know, it was possible earlier to find masterpieces there. But now... There are some people who go there. Later they bring to our shop the objects bought at the flea market. (I-19, author's own translation)

With the growing interest in antiques and the spread of stories of discoveries to the mass media, the probability of finding something at a garbage dump decreased significantly: people had become aware of the possible treasures in their attics and *dachas*. Experts also noticed the growing number of visitors to antique shops who would bring in objects they believed to be of a high value for appraisals, but in the end the items are not valuable. The clients are not coming to sell items at second-hand prices: they claim their discovery to be of great value, such claims are often supported by an illustration from one of the auction catalogues from Christie's or Sotheby's.

It can be very amusing sometimes when a grandma comes and tells us that she has a masterpiece, expresses excitement and expectations; we visit her and she shows us a spoon with shaking hands, and the spoon is nothing special. But she has the latest Sotheby's catalogue, where she found out that a similar spoon was sold for an unheard of sum of thousands of dollars. And sometimes it is hard to explain that it is a nice looking object, but not a masterpiece. (I-6, author's own translation)

This phenomenon is closely connected with the learning process and the popularization of knowledge that is accessible to the consumers. These processes will be discussed later on in this chapter. The spread of interest in antiques beyond the borders of a narrow circle of collectors and dealers led to the growing demand for antiques, and dealers have had to extend the commonsense definition of antiques from expensive, unaffordable palace objects to include everyday items from Russian and world history. As a result, it has become unclear what is antique and thus what can be valued higher than an ordinary but aged, used object. The question of what defines an antique will be discussed in detail in Chapter 6.

### **5.3. Market Actors**

In previous chapters I indicated that uncertainty and ambiguity in the market are epistemic problems. The core aim of actors in the market for antiques is to discover an

undervalued object, buy it cheap, and sell it at a more expensive price. This is possible only in situations where there is a significant asymmetry of accessible knowledge between buyer and sellers. Therefore, those who lack sufficient knowledge or just some of the relevant facts, need experts who can help them to make correct judgments about value. Governments can interfere in this process by setting restrictions on exchange and certifying experts. The central groups of market actors are thus classified in Table 1 based on their market roles, or according to the professional expertise that they use in transactions.

**Table 5.1. Main Groups of Actors in the Russian Antiques Market**

<b>Groups of Actors</b>	<b>Roles</b>	<b>Subject Matter or Service of Exchange</b>
Sellers	Owners of antique shops and galleries  Auctioneers  Sellers and consultants in the shops	Objects (for dealers and auctioneers); expertise (for consultants)
Buyers	Individual customers (investors, collectors, sporadic buyers), other dealers, organizations, and museums	Currency; objects (in case of collectors exchanging parts of their collections)
Experts	Art historians  Restorers  Certified appraisers  Representatives of museums as private persons	Expertise; skills (for restorers)
Regulatory	Governmental agencies  Police units  Customs  Museums	Expertise
International organizations and professional unions	International auctions  Confederations of antique	Objects

	dealers in Russia	
Media	Specialized magazines Internet resources (e.g. on-line auctions)	Knowledge

### 5.3.1. Buyers

I label the first group of actors “buyers,” they are representatives of the demand side of the market. Different types of buyers were distinguished in the interviews; they span a continuum that starts on the one side with the intellectual elite and ends on the other with the newly rich. In the following sections I describe nine major groups representing the demand side: intellectual elite, *beau monde*, *nouveau riche*, architects and designers, dealers, investors, sporadic buyers (*passersby*), decorators, and inheritors. Although some of them do not actually buy antiques, as representatives of the demand side they can still influence valuation from their positions as intermediaries in the exchange process, or by inheriting objects and thus being able to value them independently from a previous price.

The *intellectual elite*, persons with an education, status, and a good taste (I-1, I-5, I-14, I-19) was identified as the first group of buyers: “we must understand that some money flows go also to the people with education, a kind of intellectual elite, who understand something”(I-1, author’s own translation). Collectors are often referred to in this group as well, “they sell poorer things to buy better ones”(I-12). The intellectual elite is traditionally considered to be a group that is interested in antiques. In general, buyers possessing a high degree of cultural capital are also included in this group; therefore, this term might refer to university professors just as well as it might refer to members of the working class who collect antiques as their leisure activity. A distinctive characteristic of this group is that its representatives are thought, by informants, to refer first of all to the aesthetic, historical, epistemic, and cultural values of the objects in the process of valuation.

The second group of buyers is referred to as *beau monde*: people of high social standing who have considerable financial capital. “There is more money in Moscow. Unfortunately, this is our *beau monde*, all together: bankers, actors, and deputies. They

come to exhibitions and fairs to buy. If he has status, he buys” (I-8, author’s own translation). This group, according to experts, values antiques for their social value, and their ability to ascribe and legitimize social status. Buying at annual antiques fairs is not only a process of searching: by going to these public events celebrities and oligarchs signal to each other their closeness to the world of art, good taste, and their financial ability to buy. This type of behavior is similar to the advertising strategies of some famous companies described in the marketing literature: investing significant resources into commercials is aimed at signaling to other market actors that the company is doing well.

The third group, varyingly called the new elite, *nouveau riche*<sup>24</sup>, or “Abramovitchi” (I-1) refers to people who do not have any cultural capital and knowledge about antiques. Their strategies of buying antiques are aimed at investing, collecting, and decorating purposes. Many of these representatives of the newly rich do not have the basic skills necessary to evaluate the worth of objects, and therefore often buy antiques without a clear understanding of their value and authenticity. Informants refer to the “well-known” stories about oligarchs who built up collections and only to find out later that all of the items were fakes. They also mention rich businessmen who collect “mechanically” as they say, simply buying as many items as possible of a certain kind (for instance, old clock mechanisms) hoping to sell these later as a collection. These people often have rather simplified criteria for the valuation: paintings with the mountains, for instance.

*Architects and designers* were frequently mentioned as a new growing group of consumers (I-1, I-14, I-25). To distinguish this group of actors as buyers per se, is a controversial point: they make a choice and justify it, and the end consumer pays the price. However, this group is very influential in relation to the valuation problem. Architects and designers participate in the process of valuation, and their role is similar to the role of experts. The difference between them is that experts justify authenticity, while designers and architects value the aesthetic properties of objects.

---

<sup>24</sup> In the Russian case the term *nouveau riche* is associated with persons with ties to criminal organizations. Such persons have little or no in-depth knowledge about the arts



Today good architects and designers are people who value these things, and they also create the demand for antiques [...] When a good architect or designer works with the property he works on a complex basis. If it is a country cottage, he starts with the façade and finishes with furniture. In the city apartments it also ends up with furniture. And then [...] they can push the value of old things and persuade the client to gather some collection of old things that are necessary for the interior, especially if the interior is in a classical style. (I-1, author's own translation)

*Dealers* themselves are also mentioned as the fourth group of buyers (I-12). They may buy because they have a client for a particular object, or because they specialize in this type of antiques. Some dealers buy antiques only to resell them quickly; others can hoard objects and wait until there will be a growing interest in them, and the value will be raised. The strategies of dealers will be examined more thoroughly in the following chapters.

*Investors* are the sixth group of buyers (I-12, I-13, I-14, I-19); this group is comprised of a very diverse mix of representatives from different social groups. Similar to the financial market, some try to make money quickly by reselling a \$5 object for \$50; others choose collecting as a strategy for investment portfolio diversification. Although informants clearly underline the motivations for investment among this group of buyers, in market terms many of them are actually saving their money, by choosing antiques as an alternative to bank accounts. Having high returns is not necessarily their goal, but many are persuaded (often by dealers and consultants) that antiques are better than banks.

The seventh group of buyers is made up of *passersby* (I-14): unpredictable buyers, those who come to a shop without a set purpose, but who in the end finally purchase something. These buyers are often driven by irrational curiosity, or by the idea of buying a special gift. "People often consider antiques as a good gift. He does not want to buy any everyday object that one can find in normal, average shops, but wants something special" (I-14, author's own translation). A typical situation of this sort proceeds as follows: a gallery is situated in a big shopping mall, and clients drop by, though they would have never entered an antiques shop were situated elsewhere. Some start by buying a small silver spoon and end up buying new furnishings for their apartments. Although these stories are rare, they underline an interesting feature of the market: as emphasized by some of my informants, they never judge their clients based on their

appearance. Anyone can unexpectedly make a relatively big purchase. *Passersby* are probably the only groups of buyers that are not dependent on any network connections. In fact, almost all of the other groups are somehow integrated into networks based on reputation. These networks are analyzed later on.

The eighth group of buyers is comprised of *decorators* (I-13, I-19). In contrast to designers and architects, these are consumers who have their own personal tastes for antiques. They do not buy much, often they are just searching for a single item of furniture. This group is considered by informants to be rapidly growing: as young educated professionals begin to accumulate some capital, they seek to buy property, and furnish it.

*Inheritors* form the last group mentioned in the interviews (I-1, I-10). Technically this group cannot be referred to as buyers. But they are described as those who want to possess such objects. For instance, a large number of the old apartments in the historical city centers in Saint Petersburg and Moscow were redistributed by the state in the 1920–1930s, and communal apartments were created. In many cases the old owners could not take their furniture and other objects with them, and these abandoned furnishings were appropriated by the new tenants together with the rooms and apartments. Since the beginning of the 1990s, communal apartments, where this sort of furniture had remained since the 1930s have been “resettled”: rich people buy up the tenants’ separate rooms and as a result sometimes get whole big apartments. Real estate agents often work in connection with dealers, and report cases where antiques are eventually left behind by the previous owners.

One interviewee generalized the meaning of antiques as “[...] education, predilection, and status” (I-5, author’s own translation). Furthermore, two major resources characterize antique owners: money and expertise (knowledge). Thus we can distinguish the following four types of actors:

*Table 5.2. Types of Buyers in the Russian Antiques Market*

	<b>Insufficient Knowledge</b>	<b>Sufficient Knowledge</b>
<b>Insufficient Financial Resources</b>	Mostly inheritors who do not appreciate the antiques	“Old intelligentsia,” experts. They mostly sell their own belongings or act as intermediaries in transactions.
<b>Sufficient Financial Resources</b>	<i>Nouveau riche, obrazovanschina</i> <sup>25</sup>	Collectors, dealers, investors

### 5.3.2. Dealers

Dealers can be private individuals as well as representatives of auction houses or shops. The main assets of antique dealers are money and objects. They are the ones who look for discoveries and bargains in the market, they may have some expert knowledge, but they may also mostly rely on the opinion of experts. Informants acknowledge that with time everyone in this business goes through a learning process, and thus obtains some knowledge and expertise. Still, in the cases that require specialist knowledge they do look for an expert to make a judgment. Some dealers entered the business, at a time when it was still illegal, because of an involvement in other criminal activities. Several informants acknowledged unofficially that in the 1990s many antique dealers had sentences in Soviet prisons to thank for their (informal) educational background, where many learned about antiques, smuggling, counterfeiting, and illegal dealing while serving time for other types of crimes. Consequently these people knew a great deal about channels of supply and demand, and about the “rules of the game”, but only a few of them had any background in art history. “Those who started in the 1990s were rarely specialists. They hire art historians, art experts. The girls who work on the appraisals and sales: they are the ones with the educations in art history” (I-22, author’s own translation).

<sup>25</sup> This term was first used by A. I. Solzhenitsyn in his reflections on Russian culture and the degradation of the intelligentsia. It roughly translates to a class of pseudo-educated persons who, despite having a certain level of education, have still retained their plebeian tastes and attitudes towards culture and the arts (see Solzhenitsyn 1991 [1974]).

Dealers who run antique shops and galleries are not always involved in the process of searching for, and appraising the objects; instead, they hire experts who complete these tasks for them. Usually only the top-level dealers can afford this, they themselves are typically involved in the interactions with the regular or VIP customers. Freelance dealers who work on their own represent the most disorganized group of actors. Their business is not necessarily regular, and it is not controlled by the state in any form. They usually work for a small number of clients, or even only for one client (when they help to create a collection, for instance). They operate as individual entrepreneurs, trying to follow the situation on the market, keeping interesting objects in mind, and taking into account the possible interests of their clients.

As a rule they are freelancers who work for themselves, who make a living by knowing where the interesting things are. First they have to find them, then buy at low prices, and then sell them at more expensive ones. There is a great deal of effort needed to make a deal. (I-14, author's own translation)

Sometimes they wait for a certain collection to go on sale, getting involved in modest transactions concerning objects of low significance, with the expectation that later on better pieces will fall into their hands. To be able to survive in such a situation, these dealers have to establish close relations with their clients. They have to know what they have and to be able to anticipate what they might need. Freelance dealers also have to have experts who can help them with object attribution. The following section provides a discussion of the nature of the expertise, the types of experts, and how relations of trust are built in the market.

### ***5.3.3. Experts and Institutions of Expertise***

Art historical and technological expertise are acknowledged by the informants as two of the main problems of market coordination: authenticity of objects is supposed to be proven with the help of expertise, only at that point can a real value established. Expertise normally consists of two parts: attribution, or art historical expertise, which allows an expert to determine the style, maker, provenance, and other artistic characteristics of an object; and technological expertise, which is utilized in a laboratory setting and includes tests about the age and character of the materials. In the Russian market, similar to the

international one, requesting art historical assessments became a step in market transactions, which is aimed at reducing knowledge uncertainty. However, similar to the international experience, in many cases expertise serves as a factor that increases market uncertainty. The institutional organization of art expertise, and its problems are dealt with in more detail in the following paragraphs.

#### *Museum Expertise and the Introduction of Private Appraisers as an Institution*

With the rapid growth of the market in the 1990s, actors faced the problem of authenticity on a larger scale. As described earlier, collecting antiques was not a widespread practice in the country, and dealing in antiques was forbidden. As a result, state art museums were the main source of expertise in the field of art and antiques: experts working in these museums had more experience and better opportunities to attain relevant knowledge. In the absence of other institutions (such as auctions or private experts) museums occupied the niche of art expertise selling their experience, reputation, and affiliation with the state. As one of the informants mentioned, expertise in the market is a business that is dominated by specialists (I-22).

#### **Museum Expertise (End of the 1980s–2006)**

From the end of the 1980s up until 2006 expert evaluations conducted by the leading Russian museums (such as *Tretyakov's Gallery* in Moscow and *Russian Museum* in Saint Petersburg) were the only legal, documented way to prove that an art or antique object was authentic. These expert opinions were accepted by other official institutions, and in particular, by customs in deciding whether to permit exports. Another organization, *Grabar Center*, is one of the oldest state art conservation centers in Russia; it was also involved in the expertise of art objects.

Museum experts provided complex comparative research on style, technologies used, and provenance (Goldovsky/Kiseleva 2005: 12) of objects and an “expert conclusion.” At least three specialized experts are involved in museum analysis. They have to follow a standardized procedure, which is checked by museum officials. The results of the technical and art historical analyses are compared, and only then is the expert opinion

signed by an authorized person. As experts argue, such a complex procedure is not possible without related technical devices and an *étalon* collection of art. This is therefore the main objection to the private appraisal (Goldovsky/ Kiseleva 2005: 12–15).

### **Introducing Private Appraisers and the Emergence of Organizations of Private Expertise**

In 2006 commercial museum expertise was banned by the Federal Service for Monitoring Compliance with Legislation on the Preservation of the Cultural Heritage (*Rosokhrankultura*), and the concept of certified private appraisers was institutionalized. Several scandals connected with wrong attributions of paintings made by the experts from museums were one of the reasons behind this change. One of these scandals was connected with the attempt to sell a painting attributed to the famous Russian landscape painter Ivan Shishkin (1832–1898) at Sotheby's in 2004 (Akinsha 2006), which was in fact a work of a nineteenth century Dutch painter Marinus Koekkoek. A similar scandal arose in 2008 after *Rosokhrankultura* published catalogues of possible fakes on the Russian art market. Among these fakes were paintings that years earlier had been certified as authentic by the experts of Tratyakov's gallery. Further investigations showed that out of more than 200 expert verdicts, 94 were misattributions (Finmarket, 28 March 2008).<sup>26</sup> The scandals led to the decision to separate state museums from commercial expertise by introducing private appraising.

Experts acknowledged by the state hold a special certificate, and can issue verdicts on attributions in their respective fields, they can also be officially asked by state agencies (or customs) to participate in the attribution of objects that are imported/exported or involved in criminal investigations. The names of the accredited experts are listed on the official web site of the *Rosokhrankultura*. In the North-Western Federal Region of Russia alone 182 experts were named by 2010 (mainly in Saint Petersburg). Each of them has a special area of expertise.<sup>27</sup>

Some organizations offering private expertise and appraisal introduced insurance against

---

<sup>26</sup> Source: <<http://www.finmarket.ru/z/nws/hn.asp?id=807199&nt=0&p=2>> (last accessed 24 September 2010).

<sup>27</sup> The list of accredited experts of the North-Western region of Russia <<http://rosokhrancult.ru/projects/expert/detail.php?ID=86815>> (last accessed 23 September 2010).

cases of misattributions. For example, *Art Consulting* has the following statement on its official web-site: “in conducting comprehensive appraisals and valuations *Art Consulting* have professional responsibility of its experts and specialists insured from errors and omissions.”<sup>28</sup> Furthermore, the company claims that “[I]n difficult cases and when the envisaged value of an Object is high we insist on the client applying to several evaluation parties for second opinion” (ibid.). However, many specialists are still skeptical about the precision of expertise provided by private experts not affiliated with museums.

#### **5.4. A Fight over the Market for Expertise: Museum Brands vs. New Institutions**

Despite the scandals mentioned above, museum expertise is still considered by many actors as more legitimate than private expertise. First, museum experts are relatively better experienced in attribution by having big art collections available to them, with there also being some attribution success stories. Second, established private actors all have reputations that are connected to the experience they have gained in Russian museums. Museum experts are almost monopolists in the market for art expertise. It is almost impossible to sell a very expensive object without “a paper from the museum.”<sup>29</sup> To circumvent legal obstacles after they were banned from expertise activity, museums changed the way they name the service provided, now referred to as “consultations and scientific research of the object.” Before 2006 it was an “expert judgment,” afterwards – a “result of the research.” Commercial service was later substituted for the term scientific research. In both cases experts have no legal responsibility for the unintentional mistakes made in their judgments unless intentional fraud is proven. One interview expressed the importance of expertise as:

In the antiques trade there are very few specialists who trade. Experts are an “unavoidable evil” and costs. “A paper” raises the price of the painting. A seller himself might not have a good argument: a customer needs a museum verdict. (I-23, author’s own translation)

Some museum experts work privately for galleries, auction houses or for private collectors, while still having access to the collections and storages of museums. This sort

---

<sup>28</sup> Errors and omissions are insured (Errors & Omissions Policy) to the amount of \$3 million. with Russian insurance companies of Ingosstrakh and Renaissance Insurance on terms of co-insurance (Policy No. 100018420 of 05.02.2004)” <http://www.artconsulting-russia.com/professionalism/>.

<sup>29</sup> In many cases the same experts work for museums and for commercial expert centers.

of cooperation is mostly long-lasting and is based on reputation and trust provided by networks:

Yes, there are some independent experts, but you know, museum experts are preferable, because there are some things on which a museum is specialized. It is somewhere informal, is not advertised, but it exists. And there is a hierarchy of people whom you should ask (I-6, author's own translation)

I mentioned previously that every dealer has his own experts, but both sides specialize in a certain field. This is the way they lower transaction costs: dealers specialized in furniture keep contacts with the experts from the Museum of Decorative Art (Moscow) or Stiglitz Museum (Saint Petersburg), or they work in cooperation with the experts that are specialized in this field.

However, establishing such collaborative networks is not an easy task. Experts from museums represent a closed community of knowledge. Apart from the above-mentioned museums, which were allowed to provide expertise until 2006 and did so according to the formalized procedure, many museum experts did and still do it privately. They work only with trusted counterparts, and are very suspicious about people from outside of the network. When one of the informants (a businessman) learned that I did an interview with some of the museum experts, he was highly interested in being introduced to them. When I asked why he does not try to contact them himself, he answered that they do not normally want to talk. They do not have much time (they always have enough to do); they do not want to be involved in criminal or questionable activities (that is why they do not accept just any offer); and, finally, they hold the monopoly on the knowledge that they do not want to put at risk (people from outside of the network can be competitors).

Serious people come with their trustworthy experts, for instance, in fine art. The latter work personally and individually. People from museums would not interact with just anyone (I-8, author's own translation)

Even for a researcher, the only chance to conduct a real interview with an expert was to be introduced by someone from the network as "our person". To sum up, experts do not want to harm their reputation, they do not want to disseminate valuable knowledge, and they want to be safe.



In the 1990s, when the formal market was just emerging, reputational networks were the only way to find an expert. Before museums officially started to provide expertise, dealers were the points of reference for questions of authenticity. When informants refer to that period they mention that the level of fraud was extremely high. A new category of customers, the newly rich, or “new Russians” as they were called in everyday life, did not possess the knowledge about the value of these objects. They were therefore more likely to believe the attributions made by dealers without getting into details. Judging by their personal tastes these buyers were responsible for purchasing, crudely produced recent replicas of eighteenth or nineteenth century objects.

Today, thank god, people are more literate. Twenty years ago the situation was completely different. Those people, who suddenly became rich, they really had dust thrown into their eyes.

*Q: They did not understand?*

How can you understand if you know only the alphabet and basic arithmetic? You were told the thing had high value. It is actually very easy. A smart person can always find a justification. (I-15, author’s own translation)

This chapter described the institutional context for the market for antiques in Russia. Two main problems can be highlighted for further investigation: general institutional deficiency as a consequence of economic and social transformations in the country, and scandals surrounding art historical expertise. The latter is particular to the context for valuation of products in the market. It is clear that experts play an important role in the process of valuation, because of the specificity of assets, and also because dealers and clients are not yet professional experts in this field. But the expert community as a whole was shaken by the scandals regarding attribution of authenticity. In Chapter 6 I will address empirically the problem of antiques valuation by focusing on the following questions: *What are antiques from the point of view of experts and dealers? What makes the value of antiques so difficult to establish? What is the interplay between fraud and expertise in the market?*

## **6. Changing the Value of the Past: An Empirical Study of the Valuation of Antiques**

Following the investigation into the context and structure of the market for antiques in Russia, in this chapter I will discuss what the past is worth. First, I will indicate main criteria for qualifying an object as an antique as opposed to any second-hand object. Second, I will classify types of values attributed to antiques by informants. Finally, following the distinction between the physical, positional, and imaginative value of goods (Beckert 2010), I will propose a conceptual framework for the valuation of antiques consisting of three parts: authenticating, personalizing and civilizing. Authentication is understood as a process of establishing the originality of an object based on its physical characteristics and written historical records: as a result a relatively objective value of an object is defined. The process of authentication is challenged by cases of counterfeiting, which also increase uncertainty in valuation and attribution. Personalization is discussed as making an object personally valuable for an individual, by placing it into his/her life world, whether real or imagined; this is often accomplished by translating its material qualities into personal sentiments. Civilizing is connected with the positional value of antiques (Beckert 2010): these objects and their characteristics are status signals that are not easy to imitate. Thus possessing them is learning, or civilizing in the sense of acquiring the tastes of the civilization to which the objects belong. This is illustrated by changes in consumer behavior in the Russian market over the last twenty years.

### **6.1. Formal Criteria for Defining Antiques**

The definition of an antique is based on attributing the objects to a certain historical epoch, and defining their artistic and cultural value. The central criteria of “antiqueness”, as indicated in Chapter 2, are rarity and authenticity as demonstrated through patina (Rosenstein 2009). However, rarity and authenticity are not self-evident concepts and need additional explanation. Another clarification should be made regarding the initial status of objects: theorizing about antiques usually refers to items that were already luxury goods at the time of their production. However, even everyday objects from ordinary nineteenth and twentieth century households are traded today on the market for

antiques. Thus using rarity and uniqueness as the only criteria for defining antique should be questioned; in order to do so, the concept of antique will be scrutinized using the data from interviews.

*“I would like to start by first asking you what are antiques, how would you define them?”*; this was the standard beginning of the interviews conducted for this research. Answers to this question showed that there is no strict definition of what is antique, even among experts and dealers: at least there was none that was shared by all. Some informants started by telling me about the formal legal definition of antiqueness, the others told me to look for an answer in the dictionary because they could not precisely formulate it. In the end, all of them, however, found a way to mention the main indicators that they take into account when they talk about antiques. In explicating the concept of antiques informants clearly distinguish between commercial and artistic grounds for their definition. They appeal to the notion of cultural values defined in Russian legislation and related objects as the main criteria for defining antiqueness; while still leaving space for “less artistic” objects on the market.

#### ***6.1.1. “The Past that is Over”: Temporal Definitions of Antique***

In the legislation on the protection of cultural heritage of the Russian Federation, official “oldness” that defines cultural value is assessed at a minimum of 50-years (and if the object can be attributed to one of the categories listed in the federal law on export and import of cultural valuables).<sup>30</sup> Most informants tend to provide this as a central reference when they are asked to define what is antique. However, they acknowledge that this definition is an oversimplification: in reality a number of factors have to be used to define antiqueness. Furthermore, not all objects older than 50 or even 100-years are of artistic or historical value. There is also a tendency in the market to trade the objects that belong to a specific “theme” or “an epoch” that has ended; in the Russian case this refers mainly to Socialist art and memorabilia.

This definition restricts the chances that an object has circulated on the international market, and thus is used by experts as basic point of reference. Apart from the formal 50-

---

<sup>30</sup> Federal Law on the Import and Export of Cultural Valuables, N 4804-1, 15 April 1993.

year minimum there are some other criteria for agedness that influence the conceptualization of antiqueness. Some informants distinguish between “high” antiques and “everyday” antiques:

It is accepted that the objects older than 50-years are considered antiques, but this is in the everyday sense. High antiques are considered to be from around the sixteenth century, and now even up until the nineteenth century... Although now these borders are shifting, and the period at the end of the eighteenth century comes to be of interest, especially concerning furniture. (I-6, author’s own translation)

Despite the fact that experts give different criteria for oldness that they deem necessary for defining objects as antiques, they agree that this period should temporally be significantly distant from the present day. This means a period of time that is long enough to ensure the end of production of certain objects and to allow for the natural decline in the number of those still in existence that leads to rarity.

### ***6.1.2. Levels of Artistic Mastery and Rarity as Criteria for Antiqueness***

The second important parameter of antiqueness is the quality of technique or level of mastery with which an object is made as opposed to that used for mass production. “In my opinion, antiques are the objects created only one exemplar or in twos or threes” (I-13, author’s own translation); “exclusive, ‘palace’ things” (I-10); “rarities” (I-1). Experts mention rarity as an important characteristic that is added to agedness to qualify an object as antique.

First, there is the estimation that these things should be older than 50-years. Some say 40, some – 60-years, but in general they start with half a century. But again – things can be of different artistic value. It is probably hard to find an eighteenth century chair that will be of no interest to anyone, unless it is a peasant chair made of rough wood. But these things do not normally survive the passage of time. That is why a thing of any epoch can have some value depending on the category that it can be attributed to. And people rarely collect eclectics that lack a specific style or theme. It is either an epoch, or an artist, or a field of art. This can create some fields of rarity and antiqueness earlier. (I-1, author’s own translation)

Rarity and mastery are also the first notions that can be subjected to controversial estimates: the former is especially questionable, as no one can know for sure if any other works of a certain school or a master still exist. The latter is a result of defining an artist’s position within the conventional hierarchy of artists and craftsmen that exists in art

history, and in the antique business. Both parameters can be subjected to change with time as a result of new historical analyses, in particularly in art history. In publications on the topic authors often conclude that rarity is no longer a criterion for antique status (Muthesius 1988: 231; Attfeld 2000); regardless, it is still a part of conventional definitions of antiques.

That being said, rarity is characteristic of certain objects from the high-end segment of the market; it is traditionally associated with the group of so-called *palace antiques*, or world famous masterpieces. The Czar's family could have owned them before the revolution or maybe they belonged to other representatives of the Court or nobility. These antiques were made by the famous manufactures that supplied the Czar's court, and were expensive luxury objects at the time of their production. In contrast to this group *everyday antiques* are ordinary household objects or furniture that were normally owned by the petit bourgeois.

Whereas palace antiques are often easily recognizable as valuable when expensive wood was used for surface finishing, everyday items can remain unappreciated by their owners. That is why many palace antiques survived periods of ideological rejection, and were not destroyed during the war. As was illustrated in Chapter 3, in contrast to American and European market practices, where the attics of family homes become the sites of discoveries, the Soviet people lived in a political and social context, where ownership was not bequeathed from generation to generation. Above all, spatial conditions did not allow for collecting old things inherited from one's grandparents. The Soviet government's housing policy did not only limit space physically: in general it was a project aimed at changing the lifestyles of ordinary people. Another fitting illustration defends the idea that: "the new apartments meant a new life, a new skin, everything was thrown out and the past forgotten as well" (interview cited in Buchli 1999: 175). Some of the objects were kept by the owners, but under the fear of being depicted as an ideological enemy: "One inhabitant of an F-unit<sup>31</sup> recalled how few objects were saved by her family in order to protect her from knowledge of their past, which would have thwarted her rise in the Komsomol" (Buchli 1999: 174).

---

<sup>31</sup> A special type of a Soviet condominium.

Really expensive items became national heritage, and were kept in museum collections. Yet, informants noted that, despite this, a number of the apartments of the cultural and political elite were furnished with objects of a museum quality. Less expensive items were often either lost or misused. One of the experts described two cases: of an icon dated back to the sixteenth century that was used in a kitchen to hide a barrel filled with salted cucumbers, and a bronze satyr that was modified by the owner and to used as a hammer (I-10). Therefore, one of the specificities of the Russian antiques market is that both palace and everyday objects have become rarities in the present day. Dealers often present the everyday objects as though they are from the high-end segment, and as a consequence these objects are overpriced.

With the growing appreciation for antiques among different groups of the population, the market needed to fill the gap of the middle level segment of everyday household antiques. Today this has taken the form of an expansion of the market to include the Soviet memorabilia: many Russians have since started to sense the potential for striking gold that in the 1990s applied only to palace objects. Dealers actively support this tendency: a special project was presented at the 28<sup>th</sup> annual Antiques Fair held in Moscow in February 2010. The fair, with the theme “1960s. A small encyclopedia of style,” was devoted to the new segment of the market representing art and objects of interior design of the 1960s – according to the Russian legislation, these works could be qualified as antiques starting in 2010 (Vedomosti, 28 February 2010).

Lowenthal (1992) explains this process as a search for new sources of authenticity: with time the number of authentic objects from the older epochs that are on the market decreases. The market reacts to the shortage by producing fakes and copies: “Thus the scarcity of originals and a plethora of fake antique furniture in the early twentieth century extended the canon of antiquity through Regency, Victorian and Edwardian pieces” (Lowenthal 1992: 188). Objects that are newly classified as antiques thus fill the market together with truly authentic objects. An important detail is that rarity is a concept that is closely linked to scarcity; this was especially characteristic of the antiques market in Russia in the 1990s when the scarcity of supply was taken for an indicator of rarity.

The art historical meaning of rare as unique was substituted by the concept of rare as limited irrespective of the other characteristics of an object.

There is definitely a conflict between the differing attempts to establish formal temporal criteria for the definition of antiques, and judging the rarity or uniqueness of objects is inherently problematic. Therefore, I will readdress the concept of orders of worth that was described in the introduction. In doing so I will outline the characteristics of objects that are attributed to each type.

## 6.2. What Else Matters? The Typology of Value

In Chapter 2, I distinguished between the types of worth that had emerged historically: sacral, historical and aesthetic, cultural, market and sentimental. My intention in the empirical analysis was: (a) to identify which types of worth informants mention in regard to the problem of valuation, and (b) to determine how they justify judgments of worth.

The following questions were posed to interviewees: “*When you are valuing an antique, what are you referring to?*” – posited to experts and dealers; or – “*When customers talk about antiques what do they value most?*”; or “*What is the value of antiques personally for you?*” Based on their answers, I identified (see Table 6.1.) the types of worth that they considered important for valuation.

**Table 6.1. Types of Value as Expressed by Informants<sup>32</sup>**

<b>Value</b>	<b>Indicators</b>
Historical	“Antiques are history, for example, a chair of Nikolai II” (I-8), “house visited by Pushkin” (I-1), “spirit of the time, memory of ideas and atmosphere then comes to life” (I-22);
Sentimental/ Personal	“[C]ame from some remote time, special spiritual value of an object” (I-1); “old things influence a person positively” (I-2); “they are live, they are energetic, they bring comfort” (I-6); “this object could belong to one person for their whole life, and

<sup>32</sup> Notes: all quoted interviews were conducted in Russian and translated by the author

	for this person it has the greatest value” (I-6); “some people do not like antiques because of their aura, maybe someone died on this bed” (I-8); “they carry a representation of me as a character” (I-14);
Hedonic	“[P]eople should like the things, feel comfortable with them” (I-14); “just holding it brings satisfaction” (I-15); “it should necessarily be a something with charm, display the spirit of the time: I cannot describe it with words, it is on the level of sensing, intuitively, but I always feel the objects” (I-6); “a person buying a silver spoon will look at this spoon later and feel satisfaction, because it will differ from IKEA spoons” (I-14);
Cultural	“[O]ld things have the tendency to disappear; there are a lot of contemporary sets like this, while these objects are rare, it has some sort of originality” (I-5); “interesting objects from the point of how the principles of engineering were used, but it is interesting only for those, who know” (I-12); “antique furniture has a value as an old object, as a cultural monument” (I-13);
Craft/Functionality	“[O]ld furniture is beautiful, good, harmonious, comfortable, and it decorates life” (I-13); “it is handmade” (I-5); “good old restored furniture can serve an additional 100-years, and it will keep its beauty and functionality” (I-10); “and I will use it my whole life, and it will remain for my child” (I-12);
Social/Status	“[About Soviet times] they wanted to feel close to ‘those ex’ <sup>33</sup> : you are now imprisoned, and I sit here in your antique chair” (I-10); “they collect [these objects] not because they are beautiful, but because the neighbor Vasja started to collect, so – I need it too [...] furniture is not for collecting, it is for

<sup>33</sup> Referring to the former nobility or bourgeoisie.



	presentation” (I-12); “furniture creates the image of the interior, and any interior is an image demonstrating the social position of an owner of the house. His level in terms of hierarchy, wealth, and what is very important – personal taste” (I-13);
Commercial/Investment	“It is a very good financial investment. There is a crisis now, and we do not know if the market will fail or not. But the objects that we consider antiques, their value will never fall” (I-15); “there are some people who consider them to be investments, and therefore they need a ‘paper’ because they plan to sell the object later” (I-6); “I will buy antiques for 100 000, and if I choose wisely, it is possible that tomorrow I will be able to sell it for 110 000, and the day after tomorrow for 200 000” (I-1);

Scattered throughout these narratives, the worth of certain indicators were mentioned by all informants.<sup>34</sup> A number of them gave a more or less strict sequence of objective characteristics influencing the value of an object. These persons were either certified experts in decorative art or employees of antique shops where furniture is sold. I will assume that they share mental models containing indicators of worth used in the process of attribution. Informants considered the following sequences of qualities important for valuation:<sup>35</sup>

- 1) “[A]uthentic things, good artists, really good old furniture, decorative art” (I-10, art expert, former market actor);
- 2) “[T]he name of an artist, type of wood, complexity of craftsmanship, newness of an object, its exclusiveness and uniqueness” (I-13, art historian, certified art expert);

<sup>34</sup> I should mention that the sacral value of antiques is not represented in Table 6.1. An explanation for this can be that I focused my study on the furniture segment, while sacral value is more characteristic of icons and other objects of religious cult.

<sup>35</sup> All of these informant statements were translated from the original Russian by the author.

- 3) “[B]rand, country, authorship” (I-14, consultant in an antique shop);
- 4) “[W]hat it is made of, quality of craftsmanship, mark” (I-15, restorer, certified art expert);
- 5) “[T]ime, technology, master, quality of craftsmanship, provenance (where the furniture was used – for example palace furniture), mark of an artist – if not - style” (I-19, administrator in an antique shop).

In the process of appraisal and attribution experts and dealers try to establish the authenticity of an object as a legitimate reason for the latter to be traded in the antiques market. Historical, art historical, social and cultural values serve to authenticating the worth of an object based on its specific context. Authentication is the first part of the process of valuation and is usually provided by dealers; it serves to establish the objective characteristics of an object that can then increase its value. In this context objective is understood as some material qualities that can be determined with a *relatively* high degree of precision, and knowable facts about the origins of antique pieces. I underline the relative nature of these data because new technological developments and historical discoveries can place into doubt previously obtained results.

In contrast, subjective is used here to refer to those characteristics that are rather discursive than material, and which are highly dependent on the judgments made by experts, sellers, and buyers. I argue that these characteristics are the second part of valuation and constitute in fact the personalizing process: identifying objects with their potential future owners. Whereas in the process of authentication experts try to prove the correspondence of objects to certain technical standards and specific historical context; in the process of personalization consultants and dealers are trying to establish the correspondence of an object to the present day personal situation of a buyer, which is embedded in the cultural, political and economic context.

**Table 6.2. Valuation Processes: Authenticating, Personalizing and Civilizing**

<b>Authenticating</b>	<b>Personalizing</b>	<b>Civilizing</b>
<ul style="list-style-type: none"> <li>- Age;</li> <li>- Level of artistic and craft mastery, identity of artist and mark (brand);</li> <li>- Technological complexity and type of wood;</li> <li>- Correspondence with original historical and cultural context;</li> <li>- Art historical value (rarity, importance of an artist or school)</li> </ul>	<ul style="list-style-type: none"> <li>- Sentimental or personal;</li> <li>- Aesthetic;</li> <li>- Functional and hedonic;</li> <li>- Investment</li> </ul>	<ul style="list-style-type: none"> <li>- Cultural;</li> <li>- Social;</li> <li>- Historical value</li> </ul>

### **6.3. Authenticating Antique Objects: the Field of Technical Expertise**

Authentication as a concept is closely tied to establishing the originality of an object: “it means original in the singular sense of never having taken a particular shape before, and the first of a series that follow in varying degrees of exactitudes. Its most valued attribute is the sense of being in the presence of the one and only ‘real thing’, a quality often exploited by marketing which makes the original all the more meaningful” (Attfield 2000: 97). Therefore authenticity is intimately connected with the concept of originality. “Authenticity today usually attaches to one of three conflicting goals: faithfulness to original objects and materials, to original contexts, or to original aims” (Lowenthal 1992: 186). The ‘real thing’ is endangered by restoration, copying, reproductions, and fakes: therefore there are several tests – scientific, aesthetic, and intellectual – that experts can run to distinguish between the original and other types of objects that can appear to be the same.

A battery of personality tests can help to create a “psychological portrait” of a person: similarly, the battery of conventional tests applied to a work of fine art can help to create an “authentic portrait” of an object and thus to personalize it. This portrait consists of the name of the object’s creator, mark, and type of wood: these are the characteristics that can be considered objective, and in many cases they are observable and recognizable. This is the part of the process of valuation when systems of classifications and catalogues play an important role insofar as they help to differentiate between the objects, and establish their authenticity.

In the majority of cases the portrait can be presented as a short and technical description in the auction house catalogues. One such example might read: “88. A Late Louis XV [*style, country*] Beechwood Fauteuil [*material*], third quarter 18<sup>th</sup> century [*time*]. With channelled frame, the backrail and the seatrail centered by a rosette on a cabriole legs, the back, seat and arms covered in white damask upholstery [*technology*], stamped B.D. Chardon [*name of an author, mark*] to the reverse” (Christie’s 2009: 36). This description is based on visual and technical inspection of an object and is a result of a technical authentication. Another test exists that aims “to establish a secure chain of provenance which leads back in time to the date of manufacture, or, failing this, to a date before which fakes of objects of this class can reasonable be assumed not to have been made” (Wainwright 1992: 174). If an object has a proven provenance (record of origins, ownership, and sales) the task of an appraiser is not difficult; but if an unknown object is under investigation, a highly qualified expert is needed to make a correct judgment. “How do some few people develop these skills and most others not? No satisfactory explanation of this phenomenon has ever been given, but we all recognize it and admire it when we observe it in operation” (Wainwright 1992: 174).

### ***6.3.1. Acquaintance with Tools and a Knowledge of Woods: Technical Authentication***

“The real expert in furniture MUST begin with a workshop training; what he learns in the handling of timber and the making of pieces he can acquire nowhere else” (Cescinsky 1969: 3, capitalization in original). A significant number of antiques are the objects of *decorative* or *applied* art; originally their production was considered a craft and separated from the field of fine art. With the development of the design industry in

the nineteenth century this strict divide was significantly softened.

The type of material that an object is made of can have two implications for valuation: First, there are types of wood (such as mahogany) that were highly valued, and that are so durable that the objects can be used hundreds of years. This increases a piece's historical and cultural value accordingly.

We are sitting at the table that is dated by the middle of the nineteenth century, it does not look very nice now, here the varnish is dark, and here it is a bit worn. These can be cleaned, and polished, and that is it. So how old is it? One hundred and seventy years old, so it can serve 170-years more. You know, it is mahogany, people paid for its weight. (I-5, author's own translation)

Second, the object's material, in particular wood, can serve as a sample for dating the object when a mark is absent and other indicators are questionable. In many cases types of wood and other materials that are used can help to check the authenticity of an object: many replicas and imitations were made of cheaper materials. For example, tortoiseshell was used in the French *Bouille* furniture of the seventeenth century; later Polish imitations of this style were made with the use of cheaper plastic (I-12). Many imitations of European furniture made by Russian craftsman were made using cheaper and more common pine on the inside of the objects (I-25). On the other hand, it is dangerous to rely only on investigations into the type and age of wood: “[...] a furniture expert may point out to a student that a piece under examination must be modern, as the mahogany used in the making is of a kind which has only been discovered during recent years, and was never imported or known in the eighteenth century” (Cescinsky 1969: 3). But, as the author points out, there are not enough experts with these sorts of qualifications that would allow them to distinguish not only between oak and walnut, but also between different types of oaks, knowing their history and growth area.

The technology used in furniture making also adds to the value of a piece: the more innovative the craftsmanship is, the higher the value. It is not easily reproducible and adds to the uniqueness of objects. Technological complexity is the reason for high restoration prices and the low number of good fakes on the market. Furniture production is not only costly, it is also a time consuming process. “In the old days all technological

demands were thoroughly met: if the wood should be kept in storage for year, it was kept there for a year. If had to be fastened in a brace for two years to make the curved backs of sofas and chairs, then that was what was done” (I-10).

Experts consider old technologies, materials as well as old instruments for cabinet making as important indicators of authenticity, and reasons for identifying the period. Innovations such as a steam-powered woodcarving machine developed in 1847 (Bly 2005: 140) changed the quality of wood finishing; on the one hand it allowed for better consumer quality. But, on the other hand, these innovations created opportunities for mass production. The inventor of the steam-powered woodcarving machine, for instance, later improved the first version so that the cut was similar to the rough one made by hand (ibid.). Analyses of surface finishing, types of wood used, and craftsmanship helps in dating the object and attributing it to a certain epoch. Another important fact that can prove authenticity and increase the value of an object is the name of an artist or craftsman, if it is known.

### ***6.3.2. Artist Names as the Markers of Authenticity***

In the contemporary antiques market, in particular in fine art, the name of an author is an important indicator of authenticity. However, in decorative art detecting the name of an artist is not always possible, this is particularly true for antique furniture. In the high-end segment of antiques it was common for famous architects to also be active in designing furniture; craftsmen only implemented their designs in a workshop setting. Therefore, most commonly seen marks belong to workshops or factories: as one informant mentioned, although this is a mass production, a *brand* is important (I-2). Marks and stamps began to appear in the furniture making segment starting in 1847, when a system of registering patents and marking goods was introduced. As Bly points out, “[S]ight of this mark on any object, usually furniture, glass, silver and other metalware, fabric, ceramics, iron or steel, will add to its historical rather than commercial value, but it is always of extra interest” (Bly 2005: 170).

In certain cases several brands can correspond with the style from a specific period, in others the brands become the styles. In Russia only a small amount of furniture is

marked. This can be explained by the fact that there were not many official furniture factories that produced original pieces; for the most part the furniture produced in Russia was created as reproductions or stylistic borrowing from the West, and as a rule it was produced by the serfs of the Russian nobility, who rarely marked their products. Marked western items are still not very common in the country due to the import barriers. For this reason, all marked furniture is normally overpriced in comparison to its equivalents in Western Europe. As an expert pointed out, if there are two identical chairs, but one is marked, its price can be doubled immediately (I-24). This happens in the Russian market not because the mark guarantees quality, but because it indicates rarity. Therefore, the name of an author, brand, or a mark add to the value of an object, if it is known that they are the indicators of rarity.

### ***6.3.3. “Biography of a Chair”: Research in Provenance as a Part of the Authentication Procedure***

After an object’s origins are determined, other facts about its history become important: both records of ownership and technical expertise help to authenticate objects. These factors may authenticate the historical context in which an object originated, and thus prove that the item under investigation indeed represents a piece of remote history. Provenance is based on the continuity of valuation: an object is transferred from one generation to another, from one owner to another, and its value is confirmed and recorded.

When objects from private collections are brought to the market, they can be separated into two groups: antiques from a “house with a revolving door” or from a “house with a pedigree”(I-20, author’s own translation). In the first case the objects belonging to the same family are often changing, and even if the owners are noble, the authenticity, at least historically or contextual, of objects that are part of their collection is not guaranteed. A “house with a pedigree” is the one where a collection is known to have been in existence for several generations experiencing only minor changes and additions. In the market dealers are hunting for the things with a good pedigree: “an old house is like old money”(I-20).

As was mentioned above, in the Russian case an analysis of an object's provenance can rarely provide results that are reliable enough. During the Soviet time the value of objects was not physically recorded, it was transferred from one generation to another as an oral family history, or it was hidden from the children, so that they knew that the old commode was left by a grandmother, but not more than that. The ways in which objects entered homes were also different: stories are related to NKVD officers who collected antiques after their owners were prosecuted or imprisoned in camps; others tell of famous collections that were begun during the siege of Leningrad by those who had access to food supply; as well as tales from the 1990s of objects that belonged to the murdered members of criminal organizations. Objects with records of provenance that relate these sorts of stories provenance are unlikely to attract buyers.

In recent years many Russian museums have been actively searching for authentic interior furnishings for the former palaces because the post-war restorations of some have just now been finished. If museum employees are lucky enough to find objects that did originate from the palaces, they pay the owners high prices and never ask how they obtained an object. Otherwise no one will be willing to cooperate with museums, and the objects would probably be traded on the black market. What happened to an object between the time when it was somehow removed from a palace or museum and became a private belonging, to the time of its rediscovery by a museum would probably never be revealed. Therefore provenance, although widely used in the rhetorical strategies of dealers, remains to a very ambiguous indicator of authenticity and quality.

Authentication is thus a process involving a technological analysis, as well as the analysis of an object's provenance. In the high-end segment of the market many objects have documentations of provenance, and to insure transactions owners often request special technological expertise. However, in the middle-range and low-end segments objects do not have significant investment value, and expertise often costs more than an object itself; therefore conducting an expert analysis makes no sense, and buyers literally speak of playing 'Russian roulette' as some experts explain it. It is important to mention that this is a general characteristic of both the Russian market as well as the international market.



## **6.4. What is the Value of Authenticity: Stylistic Reproductions and Copies on the Market**

This section aims at explaining the attitudes of market actors towards the authenticity of objects. Technologies and decorative elements used in cabinet making are the indicators of a style and reasons for valuation, and thus the question arises: can modern copies and reproductions have the same value as aged ones if they are made according to the same technological requirements? I approach the above by first considering two sets of debatable observations: those about the role of aged copies and reproductions that can already be considered to be antiques, and those about the estimated value of recent copies and replicas that were made by informants during the interviews.

### ***6.4.1. Replicating the Masterpieces: Creating Valuable Copies***

Copies and replicas have been known to the market actors since early times. On the one hand, copying masterpieces is a standard part of an education in the visual arts: every student at an art academy starts off with attempts to copy the techniques of their teachers or famous painters and craftsmen. On the other hand, over time replicas have been produced to satisfy the demand for luxury objects among clients who could not afford expensive objects for financial reasons or because of scarcity. Experts mention the emergence of stylistic substitutions such as silver plated and gilded elements, or the use of cheaper types of wood instead of luxury ones:

The production of copies of rarities developed in the nineteenth century in France, in particular in Paris workshops, these were made by François Linke,<sup>36</sup> who is very popular here [in Russia] now [...] by Zwiener,<sup>37</sup> and other popular masters who created the copies. And they were sold. For example, there are four known copies of the biggest rarity – the cylinder desk that belonged to King Louis XV (and known as the “King’s Bureau”), which is now in Versailles in the cabinet of Louis XV. Four copies were made, including the ones by Linke and Zwiener [...] And the copies were absolute replicas, the proportions were kept, nothing changed. Often bronze and marquetry were even better than in the original of the eighteenth century, because the technology of course was more advanced by the time. (I-13, author’s own translation)

Thus, some copies of famous masterpieces also become antiques over time; these often now have the same value (or close to it) as the originals. This makes judgments regarding

---

<sup>36</sup> François Linke (1855–1946).

<sup>37</sup> Joseph-Emmanuel Zwiener (born c. 1849).

authenticity more ambiguous: replicas are not the originals, but at the same time – they are antique.

#### **6.4.2. Modern Copies and Replicas: Technology vs. Mastery**

Modern copies and stylistic reproductions are prevalent on the market, especially in the furniture segment. Following Attfield (2000) I will distinguish between copying the design of famous furniture brands (Parker Knoll, for instance), and reproducing a set of classic period styles in furniture and thus creating special objects (for example in “Queen Anne style”). In the first case an object should visually look close to the “original”; in the second case inspiration for an objects design is instead borrowed from the design vocabulary of a classical style and its construction is oriented towards certain models (Attfield 2000: 105). Therefore, in the first case the designs were imitations, whereas in the second they are creations.

Similarly, today Russian furniture factories founded in the eighteenth and nineteenth centuries have begun to reclaim their identities as “suppliers of the Court” and have started producing replicas of their own objects based on the surviving drawings and plans. At the same time, new workshops are emerging that produce expensive luxury furniture made of rare types of wood and using antiques as models. One of the most famous producers of this type of reproductions in Saint Petersburg is the *Sentiabrev* company that positions itself in the market as follows:

Among various art styles SENTIABREV keeps its focus on legacy of gallant and luxurious ages of Empire, Baroque, Classicism, and Neoclassicism styles. We cooperate with artists, specialists of decorative and applied art, architects and art historians to reproduce, as close as possible, copies of museum pieces to renovate those ages. Based on our knowledge and experience, we create unique furniture collections and splendid interiors. Feeling proper respect to the art styles of the past, our masters, however, are always ready to experiment on classic styles, considering them as a new trend. (Sentiabrev, 2002–2010)<sup>38</sup>

Simultaneously, the company is trying to preserve its connection to history: in 1999 the company received the honorary title of “Official supplier of the Russian Imperial House” from one of the Czar’s family descendants. Workshops like this create a new segment in

---

<sup>38</sup> Source <<http://www.sentiabrev.ru/text32/eng.html>> (last accessed 23 October 2010)

the market: they do not offer antiques, but they offer luxury, which can substitute antiques in terms of function, while recreating the atmosphere of a remote historical epoch.

Experts acknowledge that the *value* of modern copies and reproductions can never be as high as the value of authentic objects, but the *price* for a good reproduction or a copy can be even higher than that for an authentic piece of antique furniture. The reason for this is that technology is complex and time consuming, and thus hard to follow.

#### ***6.4.3. Ties to the Past: Originals, Copies and Stylistic Reproductions as Competing Products in the Market for Antiques***

This paradox between price and value can be explained in the following way. Two different markets exist: one for antiques and one for reproductions and copies. The market for reproductions is just a competing market that is trying to attract consumers, who appreciate antique furniture for its stylistic features, by proposing functional substitutes for them. As Attfield claims:

[A]uthenticity is not an inherent feature in the culture of furniture production, it only comes into play when considered in relation to the category of the “original” (design) which in turn only makes sense when it is predicated in contrast to the “copy.” The concept of originality is closely associated with modernism, and the recent idea that it is possible for a designer to produce an entirely new design without reference to a traditional model. (Attfield 2000: 102)

She points out that reusing patterns was a standard practice in traditional production processes, and that this was part of a learning process in which designers were taught to draw by ‘copying’ (Attfield 2000: 103); as a consequence, the value of authenticity as originality is a modern phenomenon.

But the issue has more complex implications for the antiques market: in Russia in the 1990s many replicas were sold as authentic pieces and thus were a part of the formal market. Despite their low quality, they were often mistakenly or intentionally valued the same as authentic ones. Ordinary consumers were not able to detect copies and reproductions because they did not have enough knowledge and experience in antiques attribution. Some dealers exploited this knowledge asymmetry and were able to achieve

above-normal profits. With time consumers became aware of the situation, and started to request expert evaluations of authenticity. As a result, legitimized experts became important actors as the intermediaries between the buyer and the seller, who did not influence the *price*, but who played a decisive role in the judgment of *value*.

### *Counterfeiting the Valuable: Fake Objects and Fake Authenticity*

The ability to discriminate between authentic and not, between valuable and valueless comes with experience – visual and tactile – as does the ability to counterfeit. Expressed in different words, all informants agree on the following:

To speak good Russian you need to read books – not contemporary detective stories – you have to read classical Russian literature, and even better – poetry. Then your diction will be at a higher level. The same is with antiques: to understand something you have to see a great deal. Just go and look. A hands on approach is also very good. You cannot do it in museums, but at least you can see something. And you have to read books. (I-10, author's own translation)

Below I will show how the need for authentication creates a demand for expertise, which is highly specialized (for instance, 19<sup>th</sup> century Russian furniture expert), and at the same time requires general knowledge in history, art history, and culture.

### *Recognizing Bargains and Fakes*

Looking at and making sense of items are part of the complicated cognitive process that allow actors to discriminate between similar images, and to recognize valuable pieces quickly, even from a distance. So the actors learn how to see a bargain and how to detect if the piece is authentic. These skills are not acquired with a formal degree, they only come with personal experience: “You know, formal education as such is not that important. Experience is important. When you have looked through 100 objects, on the 101<sup>st</sup> you know for sure what that is. I started to understand something only after I had started to work; Although I have tried to get a degree in art history, but I never finished my studies” (I-19, author's own translation). A dealer, an expert, or a client can recognize, “see” (I-19, I-25) a good piece; this recognition is partly based on conventional knowledge, but it also is partly an individual skill. It can be a “secret” detail that a person

knows, but more often it is a combination of elements that they recognize better than the others. “A good expert sees. And you cannot even explain how he does it. It’s just that everything is clear to him at the same time: lots of nuances. And everyone seems to know about them too, but it is still so hard to find a good expert” (I-25, author’s own translation).

By contrast, knowledge and skills can be acquired through learning, particularly during apprenticeships. The learning process has an interesting side effect on the antiques trade: over time rough fakes and replicas cannot be traded as successfully as in the beginning because they become easily recognizable. Thus higher quality objects are more often traded in the market. The skills of forgers also improve with the spread of knowledge: consequently replicas and fakes also become more sophisticated. Although this again pushes the learning process forward, parallel to this experts begin to understand that the equal distribution of knowledge in the market has both positive and negative aspects. As one of the informants mentioned: every time a conference is organized to discuss the problems of fakes and attribution, knowledge provided by experts is used by forgers to improve their skills as well. “A market for fakes develops parallel to the antiques market. As only one is ahead, the other is approaching” (I-12, author’s own translation). This process has a long history; for example Cescinsky notes that “[...] to ask an expert to write a book on fakes and their detection is to require him to publish his armoury of detective weapons .... The better a book on fakes is the more it warns the faker that he has been found out, and that he has to alter his plans” (Cescinsky 1969 [1931]: 3).

### **6.5. Types of Fakes and Forgery in the Market**

Fakes can teach us many things, most obviously perhaps the fallibility of experts. (Jones 1990: 11)

The problem of forgery and counterfeiting is one of the oldest in the art market. Experts like to underline this fact by claiming that the first fake was made shortly after the first art object. The following types of frauds and forgeries exist in the market: an object that is partially or completely forged; an object with a falsified provenance; or intentional fraud may occur during the process of technical investigation and market exchange. One problem with forgery is that it very often starts innocently enough, for instance with a

reproduction, where there is no intention of fakery. At some iteration the object can be modified, substituted, or it can be assigned a false history of ownership. Sometimes it takes a long time for a forgery to be revealed, and it becomes difficult to find a forger. So, one can consider a fake as an intentionally forged object or it can be a reproduction that is later sold as a genuine antique. “‘Faking’ and deception may be intrinsic or extrinsic. Thus if a dealer were to sell an American roll-top desk as a genuine Hepplewhite tambour writing-table, there would be no intrinsic deception at all; the desk would not become a fake by being sold under this description” (Cescinsky 1969: 7). Therefore, the author concludes that the notion of “fake” should be interpreted very elastically; this adds to the initial problem of the ambiguity of the definition of antiques, and in particular genuine, or authentic antiques. If the definition of a fake was clear, dealers and collectors could only work with genuine objects by sorting the fakes out. But a double ambiguity in defining both – real objects and their forgeries – makes the situation more complicated, thus allowing the objects to be classified and reclassified as either one – as fakes and genuine objects in different times and circumstances.

Cescinsky (1969) proposes two classifications that can help in dealing with the concept of “fakes” in cases of ambiguity. First, he divides all objects into the categories “fakeable” and “unfakeable.” He points out that fakes are more than just modern copies, which demand more effort and resources to be produced; thus when a forger chooses to produce a fake, she has to count on a high rate on return on this investment. Therefore, there are some categories of antiques that are unlikely to be faked, in particularl many furniture items, and experts can rely on this when calculating the probability of purchasing a fake. However, taking price into consideration, “[i]t must be borne in mind that there are fashions in antiques, as in everything else, and the ‘unfakeable’ of to-day may be the ‘fakeable’ of to-morrow, and sometimes was the ‘fakeable’ of yesterday” (Cescinsky 1969: 7–8).

Cescinsky’s second classification of fakes is based on the forger’s assumption of who will make an attribution: fakes can be made to stand up to the tests of an expert, or just that of an amateur who only pays attention to the conventional ‘criteria’ of antiqueness, such as looking for dirt in worm-holes. Even if an amateur knows about the possibility of being

cheated by relying on these criteria, they are still the criteria of antique. Thus the problem is not only to prove the authenticity of an object, but of the signs of agedness as well. But as Cescinsky demonstrates:

An old worm-eaten piece of wood, if left in the dark with a pantechnicon full of modern furniture, from February to June, will “antique” the lot, so as criterion of antiquity worm-holes are not to be trusted. (Cescinsky 1969: 8)

Hence objects in the market are not limited to either fakes or authentic pieces: there are transitional types of objects that make the procedure of establishing authenticity more complicated. As a result this ambiguity increases quality uncertainty in the market. Genuine originals, copies, reproductions, and fakes are on the market at the same time, and their identification is very demanding, even for an expert.

Another group of fakes are objects that were manipulated during restoration and/or for commercial reasons. A whole object can be assembled from old parts of furniture (often of different epochs), it can be also disassembled to produce more similar objects, or it can be slightly “beautified” to appear more expensive than it is in reality. Similar operations in fine art create the so-called “doctored paintings”: an original that is changed and sold as a work of another author. These methods have been known for a long period of time, but knowing about them does not significantly improve the situation in the market: “General descriptions of the methods of the faker are often misleading because they are general and not specific” (Cescinsky 1969: 10).

Experts and informants still give general and nonspecific descriptions of the methods of faking: up to a point they insist that they protect this knowledge from being spread, yet they seem in part, to reproduce conventional knowledge and judgments about counterfeiting. The following table summarizes different situations of fraud in Russian market.

**Table 6. 3. Types of Forgery in the Antiques Market<sup>39</sup>**

<b>Types of Forgery</b>	<b>Actions</b>
Replicating a real unique object of art and selling it as an authentic piece	Cases with Fabergè jewelry described in Chapter 4.
Creating an object that stylistically resembles a school or a certain author, using aged materials	In Russia, for instance, there are many works from Aivazovsky <sup>40</sup> on sale: he created about 6000 works during his life, but in the last couple of years more than 7000 works attributed to him were sold in the price range of \$50 000–\$500 000 (Sarkisants 2010: 67).
“Multiplying” an object in several copies, using the parts of an original authentic object	The most famous example that many experts refer to is to make four chairs from one, because every chair has four legs, so there will be four objects, and each of them will have an authentic part, that can be presented during an expert analysis. “They make very good furniture now: those who know start to understand. For example, I sold a chair to someone, an absolutely magnificent one. Sometime later I came to a shop and saw my chair there. I know that for sure, because there were some specific marks on it. And nearby there were five absolutely similar chairs” (I-10).
Falsifying a signature, a stamp, or a mark	“They import cheap works of West European artists that cost 2000–3000 euros, sign it as though it was created by a Russian painter, and

<sup>39</sup> Author’s own translation of all quotes in this table

<sup>40</sup> Ivan Aivazovsky (1817–1900) was a famous Russian painter, best known for his famous seascapes.



	then sell it. And of course not for 3000. For example – this looks like Shilder <sup>41</sup> – they open the catalogue of the Russian museum and see what it does resemble. Complete idiots were writing ‘Repin’ <sup>42</sup> and sold it as such. Because many customers did not have specialized knowledge they were buying even crude fakes” (I-10).
Consciously misattributing an object created from one master by assigning it to another master to increase the value, or rejecting the authenticity of an object. This often happens when the works of artists who are less known or valued within the same school or style are attributed to their more famous colleagues or teachers.	“For example, a vice head of the restoration department says: no, this one is not authentic. Although I know for sure that it is. And therefore she does not send the piece for examination. As a result someone exported it as a fake. I was sad, because I did not get paid. And of course he sold it abroad, but without me, because it was confirmed to be clearly authentic. But it did not seem so to her, so she said: I believe that this author did not do it this way” (I-10).
Other forms of cheating	Sometimes actors in the market face specific cases: for instance, when there is a need for attribution and expertise, there is a fear that during an expert’s inspection an object will be attributed as authentic, then substituted for a copy that will be given back to the owner (I-20).

All informants acknowledged that making a good fake is expensive and time consuming, and thus the more common types of fraud are doctoring – changing some details of a

<sup>41</sup> Nikolay Shilder (1828–1898) was a famous Russian painter. His most famous painting, *The Temptation* (1856), was first exhibited in the *Tretyakov Gallery*.

<sup>42</sup> Ilya Repin (1844–1930) was a famous Russian painter and sculptor of the *Peredvizhniki* artistic school.

painting or furniture with the purpose of increasing its value and price – and faking the provenance – selling cheaper original objects as more expensive ones. Manipulation can thus either occur with an object or with its provenance. Therefore I will separate objects traded on the market into the following four categories:

**Table 6. 4. Typology According to Authenticity**

		Provenance	
		Proven	Faked
Objects	Original	Original object with proven provenance	Original object with faked provenance
	Faked	Faked object with the provenance of an original	Faked object with faked provenance

Even an original object with proven provenance can be reattributed in the future, if new discoveries are made; in other words, whereas forgery is an intentional act, and thus is classified as such, there can also be a situation of unintentional misattribution. New technological developments in research, as well as new historical discoveries add to the knowledge that actors need to remain competitive. In this sense antique dealers can be compared to stockbrokers: they monitor the market in real time, and for them the speed of recognition of a company’s value is part of professional competence (Stark 2009; Beunza and Stark 2004). Real time monitoring is not so important for actors in the antiques market, but they still have to stay up-to-date despite the historical character of the goods traded and their casual immutability. Plus, the past is also uncertain, a fact that has to be taken into account by the actors.

The problem of forgery and counterfeiting has differing significance and is unevenly spread in different market segments: this is predominant in the markets for old masters paintings, porcelain, and jewelry. This problem is also an important factor in the furniture market, but it is not that common. In some segments it mainly concerns the materiality of an object, in others its provenance. For example, in the segment of paintings both types of

forgeries are quite common: reproduction does not involve high transaction costs, and it is also possible to fake a signature, or provenance. In the market for jewelry the costs are higher, but these are covered by the price of the objects. In the case of furniture, the situation is more complicated. As was mentioned above, in order to produce a copy of old furniture, one needs more than just materials and skills; it takes a lot of time to produce a good copy, and the subsequent sale of an article does not normally cover these costs, unless it is an extremely rare object.

Even if I can make a fake that no one will reveal, it does not make any sense: the profit is not that high. For example, there are doors in the Leonardo hall in Hermitage, they are made in *Boulle* style and thus are very interesting. And there is a record in the Hermitage, how much the masters paid were for them: the same as all the servants in the palace in a year. To fake this would require spending a whole lifetime. So I cannot fake it, because I am already older than 50. (I-15, author's own translation)

The second reason for the limited expansion of materially faked objects is that there is a growing supply of official replicas of old furniture, or furniture made in the styles of older epochs. This furniture is made of rare timber and is expensive; therefore, it can substitute old furniture in functionality, and as a luxury object. Informants mentioned that in many cases original antique furniture is cheaper than newly produced analogues: if you can discover an old piece in relatively poor condition, and find a relatively cheap restorer. Although the last argument is debatable: the costs of restoration can exceed the price of the new replicas. While conducting one of the interviews I witnessed the dialogue between an antique dealer and an appraiser who had visited people who wanted to sell their antiques. The story he told was quite an usual one from the dealer's perspective. An old lady wanted to sell a sofa and two chairs: "firewood", the appraiser commented, approximate costs of restoration he estimated as \$5 000 each, \$15 000 in total, and possible sale price as \$10 000.

Restoration is in most cases more expensive than furniture. I often refuse offers, because people will never be able to sell an object for the same money they invest in restoration. It only makes sense to restore a really valuable object. (I-15, author's own translation)

Forgery is more expensive than restoration: the latter is used often only to preserve an object as it is for the future, while the former – to cheat an expert, and thus it has to be especially precise. "With a really good furniture fake the incompetent or ill-equipped

expert has no chance whatsoever; he is beaten before he starts. But really good fakes are costly to make, and therefore rare. This is his salvation. Yet expertise is not, or should not be, a game of guessing” (Cescinsky 1969: 155).

Summing up, authentication is a process of qualifying an object: age, origins, style, and the author are main indicators of quality. As a result, not only the qualities of an object are stated, but an answer is also given to the question of whether an object is authentic or not. In auction catalogues descriptions of objects often look like identities: they shortly describe and introduce the customers to their future possessions. But the technical description is not the only factor that accompanies an object in market circulation; an important step in any market transaction is instilling in the future owner a sense of attachment to the object in question. Therefore value is not just a result of qualifying an object as authentic.

#### **6.6. “Reincarnated Signs”: Personalizing Antiques**

Everything holds together, everything mixes up together. Things possess a personality, and the personalities are in some way the permanent things of the clan. (Mauss 1954: 58)

Personalization is the second part of the process of valuation of antiques, and is partly reflected in the provenance of an object: to whom it belonged, who made it, and other facts from the cultural biography of a thing. But provenance ideally contains only proved facts, while appreciation of antiques is also connected with the object’s “aura”. Benjamin (1936) explains aura as a unique phenomenon of a temporal or spatial distance. This was confirmed in my interviews: these objects “came from some remote time, and there is special spiritual value of an object” (I-1); “it should necessary be a charm, time spirit; I cannot describe it with words, it is on the level of sensing, intuitively, but I always feel the objects” (I-6, author’s own translation). “The individual regression that an antique object makes possible is a movement of the present into the past, into which it projects the empty dimension of being” (Baudrillard 2005: 80). Baudrillard connects this regression with the mythical evocation of birth implied by an antique object, and thus the latter brings an individual back to their origins, to nature. Possessing antiques is thus a part of constructing personal identity, and this makes increases the value – both of a person, and an object.

This is what Callon and Muniesa (2005) considered a process of qualification: when an object is placed in the living world of an individual, and, if this placement is successful, a market transaction takes place. “This evaluation can be expressed as a price or a range of prices that the buyer is prepared to pay to appropriate the thing, that is, to become attached to it, to incorporate it into his or her world” (Callon/Muniesa 2005: 1233). This idea was evidenced in several interviews where the subjects emphasized the importance of a tactile experience: ‘feeling comfortable’ (I-14) and ‘holding it’ (I-15).

It can be a purely decorative, aesthetic feeling, or a strong personal sentiment of the past. Once again this was witnessed during interviews: these objects ‘influence a person positively’ (I-2); ‘they are alive’ (I-6); ‘for her it has the greatest value’ (I-6).

Antiques are material goods and people utilize them – they eat with silver spoons, and they sit at antique tables; antiques become a part of the everyday, bringing the everyday closer to a longed for, distant past. As Baudrillard (2006) argues, they are a way of escaping into one’s own childhood, into the time that is lost. “[A]ntiques partake of ‘legend’, because they are defined first and foremost by their mythical quality, by their coefficient of authenticity” (Baudrillard 2006: 85). Therefore to be attached to an object, an individual needs not only to find a place for it in her material living space, it should also match the identity of the potential owner: “they carry a representation of me as a personality” (I-14). “Today’s collecting of antiquities thus means a turning away from manufactured goods, a tuning towards an image of the house that has become irretrievable, that was both the most cosy and the most imaginative” (Bloch 1986: 382). Combined with materiality, the imaginative value makes an individual physically closer to “a desired but intangible ideal” (Beckert 2010: 9).

### **6.7. “Civilizing” People: The Positional Value of Antiques**

The third part of the process of valuation is similar to the “civilizing” process described by Elias et al. (1998). At this stage objects and actors are actively involved in the processes of cultural learning and evaluation. Through acquiring antiques, receiving and processing information about them, individuals learn how to appreciate and value them: informants often describe the evolution of consumer preferences from the ‘uneducated

kitsch' to the preferences characteristic of the 'European habitus'.

### ***6.7.1. Champagne Fountains and Gold vs. Art Deco***

It was discussed in the above that in the Soviet period there was insufficient knowledge and information about antiques, and in particular about what has value. Ordinary people therefore tended to develop their own ideas about the "Western" lifestyle or "rich" lifestyle; they inserted into these conceptualizations the knowledge obtained either from classical Russian or foreign literature (in which French baroque, for instance, was an indicator of a higher society) or from their networks.

*Q: You mentioned that it [serious interest in antiques] arose after your own taste was further developed, how did it happen?*

A: Well, as usual – it starts with the 'like/dislike' principle.

*Q: Visually?*

A: Yes. And after that you start reading, educating yourself, and in the end you develop a style. (I-16, author's own translation)

Reading and self-education are not the only factors that influenced the development of consumers' taste after the collapse of the Soviet Union. A group of consumers originated from the families that had managed to preserve their family antiques and hand them down from one generation to the next. For these people understanding value and recognizing a piece is considered as given.

I live with it: first repair, then renewal of upholstery. There is almost no literature on this. I buy old catalogues from antique bookstores; prerevolutionary ones are good. [...] How I know? Well, a girl does not cook, but a woman does so. How? 'I am just cooking'. She does not say: I take this or that. Her mother did something, and she does something. I know my family and these things in six generations. (I-3, authors's own translation)

Though this informant could specify in the end how she knows if the object is authentic (she could talk about this on the same level as restoration experts did), important here is that she has a tacit knowledge, transmitted across generations, and based on learning by doing. Knowing about antiques in such a way is very rare in Russia, where in the 1990s new owners had to pass through a process similar to the accumulation of wealth: the initial accumulation of knowledge. They had to accumulate cultural capital sufficient to

make the right choices that in the end will be approved by the social surrounding.

After the borders were opened, consumers, in particular the rich, started to travel and learn about the European design trends; they visited European museums, and, most important, auctions, galleries and shops. As a result, in describing consumers informants always refer to the changes in the pattern of consumption: from the uneducated interest in everything that just looks expensive to a more sophisticated style based on experience and knowledge. This process, as they argue, is similar to the ones that occurred much earlier in Europe and in pre-revolutionary Russia and which are connected to the emergence and rise of the middle class, first of based on commerce:

Looking back at their families it is clear who their parents were. It is only later that they started to buy the titles: counts and barons. Today everyone is noble for some reason [...] I know many normal people, and all of them started with the same: more gold, champagne fountain, and ordering all the courses from a menu. Later, when the borders were open they traveled and looked around. Some people like to learn, some do not. The former looked around and noticed that this is not good – a champagne fountain, and Art Deco is a better style, and I will refurbish... some people remained stuck at the previous stage. This is a normal development process: of a person, society, and art. (I-12, author's own translation)

Objects acquired by individuals not only create imagined worlds or epochs, they embed an owner into the civilizing process: antique objects need special treatment that was provided for them when they were a part of palace interiors, and often they require similar behavior. “Antique furniture is very demanding. This furniture is covered with an old lacquer. God forbid a drop of vodka [or any type of spirit containing liquid – E.B.] on it: we have to carefully cover the table every time the guests come” (I-3). Special treatment of everyday objects constitutes the manners one should have in dealing with antiques.

Wear, as a property of material objects, is thus itself a very complicated property that requires considerable maintenance. The polishing of old silver, the dusting of old furniture, the patching of old clothes, the varnishing of old surfaces – these are all part of embodied practice of the upper classes in many societies, or, more exactly, of their servants. (Appadurai 1996: 75)

Therefore antiques not only have imaginative value: they position individuals in the social structure of a given society, and in the civilizing process in general. Baudrillard

considers passion for antiques similar to the one that a “savage” has for “Western” objects such as fountain pen, in both cases instead of having a function the object has a virtue: “the ‘savage’ acquires modern technology, the ‘civilized’ person acquires ancestral significance” (Baudrillard 2006: 87). Having ancestral connections is one of the status symbols, similar to what Goffman (1951) called “cultivation restrictions”: only representatives of respective social classes can allow time-cost, discipline and perseverance required for proper acquisition of status symbols (Goffman 1951: 301). Therefore, material signs of wear, such as patina, do not create correct temporal associations alone: individuals also need a “successful semiotic management of the social context” (Appadurai 1996: 76).

The skills of semiotic management, which are tacit knowledge (Polanyi 1983 [1958]) for members of the elite are conveyed by a group of market actors – consultants, designers, and art experts – who has an interest in the growing demand for antiques. Goffman (1951: 303) refers to them as “curator groups”, referring in particular to fashion experts, interior decorators, and architects. In the antiques market such actors serve an educational, or ‘civilizing’ function. “You know, we, who work in this business, we have to bring them up... give examples... educate, teach. If this teaching task is successful, everything is ok” (I-12, author’s own translation).

Experts and consultants thus play the role of agents of ‘civilization’: in the early years of the legalized antiques market they had to introduce their clients to the basic skills of choosing and maintaining antique objects. On the one hand, any reasonable justification that looked good could be accepted as the right one, but on the other hand experts did not want to take the responsibility for making certain judgments. Therefore, they try to combine certainty and ambiguity in their judgments of value. As a result they create narratives that reflect all of the orders of worth in which antiques are valued in a non-controversial way. One of the tools that market actors successfully use is storytelling: stories naturally reflect the rhetoric and symbolic values of antiques, supporting them with factual information about authenticity.



## **7. Valuation in the Russian Antiques Market: Building Institutions, Preserving Networks and Telling Stories**

In this chapter I analyze the process of valuation in the Russian antiques market: bringing together the context and main parts of the valuation process I describe the mechanisms that market actors use in their transactions. First, I analyze how the market became analogous with a game, a quest for adventure based on real and imagined opportunities of a discovery that attracts and keeps actors in play. Second, I describe the strategies used by market actors to ensure that discoveries remain possible: building institutions and preserving networks at the same time. Third, I discuss stories as a special market tool that helps to account for the worth of an object despite quality uncertainty.

### **7.1. The Antiques Trade as a Quest for Adventure**

“Digging for gold” as described at the beginning of Chapter 5 was one of the drivers that kept the market operating at the beginning of the 1990s in Russia. In the interviews stories of discoveries are often used to explain the motivations of market actors.

The discoveries can be of different types:

- Recognizing a valuable piece that is not known on the market (private possession, devalued object at the garbage dump, family treasure);
- Reattributing a piece that is already on the market but was believed to be of a lower value;
- Devaluing an object that was wrongly attributed as authentic and/or highly valued.

In market terms a discovery is the recognition of an (undervalued or overpriced) asset that allows for moving an object between different segments of the market. The best situation for a dealer is to recognize an unknown piece in the disorganized segment of the market and to introduce it to the organized one. Knowledge about possible discoveries plays an important role in the market: it creates a counterweight to the information about

crime and the dangers of the market. While the latter two can inhibit actors from participating in market exchanges, the idea of promising finds keep them interested. Stories of discoveries that are told by informants can be autobiographical or told as examples of someone's luck and skills: they often create a feeling that the antiques business is a quest for adventure, a sort of a game, in which players succeed when they can guess where valuable objects can be found, and then recognize something valuable. Bourdieu (1998) describes it as participation in a social game:

*Illusio* is the fact of being caught up in and by the game, or believing the game is “worth the candle,” or, more simply, that playing is worth the effort. In fact, the word interest initially meant very precisely what I include under the notion of *illusio*, that is, the fact of attributing importance to a social game, the fact that what happens matters to those who are engaged in it, who are in the game. *Interest* is to “be there,” to participate, to admit that the game is worth playing and that the stakes created in and through the act of playing are worth pursuing; it is to recognize the game and to recognize its stakes. (Bourdieu 1998: 76)

Conceptually, I will use the “structural hole argument” proposed by Burt (1992) to launch a discussion about the constitution of the market. For Burt, actors in the network broker connections between otherwise disconnected segments, and the rate of return “is keyed to the social structure of the competitive arena” (Burt 1992: 45). According to the author, information and control are two kinds of network benefits that enhance the chances in the market: “players with networks providing high structural autonomy [...] enjoy higher rates of return on their investments because they know about, have a hand in, and exercise control over, more rewarding opportunities” (Burt 1992: 49). What antique dealers and experts know, and how they control matters are considered in the following.

### ***7.1.1. How to Embark on a Quest: Market Rules and Practices***

Antique dealers often work as scouts, looking around, visiting numerous shops in one day, and keeping themselves updated about what is available where. Dealers try to know as much as possible about their clients, and about the potential clients of other dealers (or at least about the interests of those possible clients). As soon as a given object matches potential demand in their eyes, a move is made: a dealer can propose some object seen in the nearest shop to a client, and if the client agrees, the dealer goes, buys an object, and immediately resells it to the interested client.

A dealer can also have a permanent request from a client, for instance *Russian Empire* furniture, and he is always covertly engaged in a search for the piece. In this situation dealers prefer not to reveal the names of their permanent clients, preserving their function as brokers. “So they buy from each other, at least here, until the thing will come to a person who has a client for it. But before that they just buy from each other” (I-13, author’s own translation). This strategy has two consequences: First, dealers enhance uncertainty in the market by preventing information from circulating freely. Second, they preserve the image of the market as highly profitable, or potentially highly profitable, and thus keep the game running.

Antique shops often operate in a particular way as well. An ordinary client first finds himself in a room with some antiques that are not necessarily of great interest. One could possibly find some attractive things here, unless this person is looking for something specific. Almost every shop has a door with a “personnel only” sign hung upon it. This is the entrance to the backrooms of the shop, where you might find more than at the front of the store (Velthuis 2005). This process – where the shop owner evaluates a potential customer – can take time; in the end the visitor may be invited to a place, usually an apartment somewhere in the city, only for VIP clients, where “real antiques” are kept. With few variations the antiques trade hinges upon the reputations of sellers as well as those of buyers; it can thus be viewed as market where the identities of the actors on both sides of transactions are central for valuation (Podolny 1993; Aspers 2009). To be invited to a separate apartment, one needs to be recommended by known clients or friends. As one of the informants described the process:

Someone should bring you to the shop and say – here is N, she is interested in this and that – after that they will show you around. You should make a boring face that says: “when shall we come to the point?” – then they will bring you to the second room, or third, where you may show some recognition and finally confess that “in fact” you are interested in this and that. And then the game will start. Of course they will cheat you, but everything will depend on you or your consultant. (I-18, author’s own translation)

This increases the opportunities of setting the prices higher than would happen in the case of an easily monitored market: no one knows for sure what the real supply is in the market, what the prices are, and where the objects are located. Dealers “keep” certain

things, with the idea in mind that they can sell them better in the future, or because they know a certain person who may buy it later.

It's a game. They can create the demand. Hide some things, we call it "to put on the shelf," and show later. If they do not need money for other transactions, they can keep things up to ten years. And then they will "throw" the objects into the market to create the rush for them. (I-13, author's own translation)

This strategy creates not only a rush in demand: if the objects become hidden from the market for a significant amount of time, they can later be "rediscovered" in a favorable situation. Dealers thus control supply in the market, and set prices.

To know the price you have to be in the market. A person who is in the market knows his demand. Demand in the market is specific: therefore every dealer might have things that are of interest. (I-22, author's own translation)

The specificity of demand in this case is determined by the fact that most of the interactions occur among dealers and collectors (I-22). These interactions take place within a relatively small circle of actors who know each other, their interests and specializations, and can thus try to make predictions about the demand. As Aspens argues, in a status market there is a lack of an independent scale of measurement (Aspens 2009). Experts thus find an opportunity to trade their skills of establishing authenticity:

They all know each other in the market, and certain groups emerge based on the interests: every dealer has a restorer, and experts in different fields. Every expert has something 'his': if it is not mine, I will not work with this. (I-22, author's own translation)

These experts can be art historians, art experts, museum experts, restorers, and all of the above at the same time. Ideally experts should be a link in a chain: dealers – experts – consumers. However, as was previously shown, in a real situation they often create heterogeneous networks with dealers and restorers based on specialized knowledge (expertise) and trust. Here I would like to come back to the "structural hole argument" introduced above. As Burt shows, closure is characteristic for dense networks based on strong ties, whereas brokerage is possible only when structural holes exist. Therefore closure and brokerage are interdependent and contradictory to each other at once (Burt 2005: 163). This tension can be resolved using the concept of a structurally autonomous group:

A structurally autonomous group consists of people strongly connected to one another, with extensive bridge relations beyond the group ... A structurally autonomous group has a strong reputation mechanism aligning people inside the group, and a strong vision advantage from brokerage outside the group. (Burt 2005: 165)

Actors can switch between their market roles and identities to gain these advantages from brokerage. Some informants insist that skills of recognition have different motivational background: whereas for dealers it has a pure profit-oriented motivation, for the experts it is their professional competence, and in some cases, pride. Both groups of actors insist that they play fair, because of business or professional reputations; on the other hand, both are blamed as being venal. The two quotations below about dealers and museum experts, both telling the same story of corrupted market actors, illustrate this well:

Today many do understand quite well. But for them [the dealer – E.B.] it's more a way to earn money. How was it in the 1990s? They come to an old lady, she shows them a painting, nothing out of the ordinary, but they say: 'yes, this is a very good painting, but it is very expensive, I cannot afford it. Maybe something small... maybe these clocks... maybe this photo frame' – and that was a Faberge frame. But he bought it for \$100, or even for \$50. (I-13, author's own translation)

An old man came in, in boots and a coat, and claimed he has a masterpiece – a nightstand. Someone from a museum told him. They took all the paintings from him for \$100, and told him that the nightstand is very expensive. And now he exults over it as though it was a treasure. (I-8, author's own translation)

Both stories reproduce the main strategy in the market: searching for an unrecognized “treasure.” That these stories are almost identical in the case of dealers and museum experts is rooted in the fact that market actors often change their roles, switching from the “expert” to the “dealer” mode and visa versa depending on the situation. “Value of a thing and its price directly depends on the status of the person who is doing the buying or selling. Connections, experience, authority and opportunities are important. As in any other business, though” (I-22, author's own translation). Therefore actors choose a position (from those that are available to them) that will bring a higher profit, be that providing expertise or a sale, or both. In other words, they choose a position that gives them access to a structural hole.

### ***7.1.2. Forgery: an Evil and a Functional Good***

The ability to recognize a fake is considered to be one of the main skills in the search for

new discoveries: problems of authentication, namely differing valuations for originals, copies, reproductions and fakes were discussed in Chapter 6. Describing types of forgery in the antiques market I also mentioned that this increases quality uncertainty. Logically the main market actors, namely dealers, experts, and consumers should be interested in eliminating fakes, and ensuring the authenticity of objects. However this strategy is characteristic of cases when buying antiques is a part of an investment activity by a person or an organization: the higher the probability of a resale is, the more a client is interested in proving authenticity. Still, in many other cases experts may even question the necessity of examination: one of the main reasons for this is that an object might cost less than an expert analysis. Also, they often claim that good replicas are good functional substitutes for authentic pieces.

In 30 years neither you nor I will understand when they were made, [...] well-done objects of high quality are difficult to detect. And analysis... For example English hold the market for antique silver, and there is much of this [forgery]... will you go for a radiocarbon analysis if you buy it? I would not... Why check? (I-12, author's own translation)

Even irrespective of costs considerations, experts doubt the necessity to prove authenticity, even though they acknowledge that the amount of fakes in the market creates high risks and decreases the number of clients. First, fakes are so widely spread in the market that they are in fact a part of the market. There are stories where fakes were resold several times before their authenticity was questioned. Second, especially in the situations when a market rapidly develops, or prices significantly change (for instance, during financial instability such as was characteristic for the 1990s) dealers are not interested in conducting time consuming expert analysis, which in turn can also end up with fraud. They are interested in direct transactions that exclude additional intermediaries. Some galleries conduct request expert opinions for all objects that are on sale before a potential sale, so that when they are exhibited they already have a verdict from a museum or a private expert. In the latter case it is a question of trust for the gallery: clients should be sure that the owner did not fake the papers, and that the experts were also trustworthy. Therefore many customers come with their own experts who check the papers, and in some cases ask for an alternative examination:

On the one hand, you cannot trust anyone. On the other hand, if the price is more than 1000 [US dollars], you should make an attribution, even if you just buy it: this is the only way to resell an object later. It can be a fraud during the attribution: if a customer asks to conduct a new attribution for a piece that is already attributed. How do you give him an object – in exchange for a security deposit? He can exchange an original for a fake and give it back to you. Or we try to sell without attribution under risk. A ‘stumbling block’ appears. There is a lot of enforcement: from the state, and competitors. [...] No one can guarantee anything. (I-20, author’s own translation)

Although expertise could help dealers to delegate the responsibility of a possible misattribution to an expert, they prefer to avoid the procedure when possible: experts do not have any responsibility for a mistake, and they can argue, “afterall, we are only human.” When there are too many fakes on the market, with many already in private collections, it would be bad for dealers if all their customers decided to check the authenticity of their possessions. Therefore dealers insist on the equal functionality and decorative value of fakes. In other words fakes are treated as overpriced copies. In fact, overpriced copies have their own place in the market; they occupy a niche between copies and originals, in the space of ambiguity surrounding knowledge, quality, and the intentions of market actors. This situation is structurally similar to that in Western Europe or in the US, but the number of fakes and copies that were traded as originals in Russia in the 1990s was significantly larger. Replicas and fakes increased the role of professional technical and art historical expertise. Art historians and restorers started to use knowledge as their market asset:

At the end of the 1980s and the beginning of the 1990s the organizers of the first auctions in Russia asked the experts of Tretyakov Gallery to authenticate the things. That is how the expert verdicts appeared in the market, issued on the museum forms, with stamps and signatures of museum employees. In the following 15 years this practice became deeply entrenched in the market. A solid market chain was built: a dealer (from the gallery or a private individual) – an expert (museum employee) – a client (collector or investor). Two extreme links – a dealer and a client – bear extreme financial risks, participating in a deal with their own money. An expert just receives significant dividends from both sides, taking no risk. (Nazarevskaia 2006: 9, author’s own translation)

An anonymous informant told a story about the sale of a collection that later appeared to consist of fakes: two buyers were invited to buy the collection, they were bargaining and raising the price, and finally each of them bought half of it, apparently they were freelance dealers. After it became clear that the objects were not authentic one buyer came and asked for his money back, and the second one asked if there are more such

collections, because he had already sold the objects at higher prices. The collection belonged to an “old house” and thus was considered to have a good provenance, so that even fakes could be sold later at a high profit. Thus, in some cases dealers and experts benefit from the existence of fakes in the market: even if they are not directly involved in illegal transactions or counterfeiting.

The question arises: Does better knowledge of objects and fakes help market actors and reduce uncertainty of product quality? There are different answers to this question, and generally they can be summed up by the following. The absence of knowledge creates high risks, and to eliminate these risks one has to become an expert. With the growing number of consumers in the market, the idea that they can all become experts is unrealistic: first because it is cognitively difficult, and second, for many of them it does not make sense because they are only interested in a single purchase. Instead, in some instances the dissemination of knowledge can be harmful for the market: information about fakes and fraud, their extent and the tricks involved can destroy consumers confidence about the quality of goods, and give unnecessary knowledge to counterfeiters.

## **7.2. Increasing Uncertainty? The Danger of Dissemination of Professional Knowledge**

Too much information about possible counterfeits does not reduce uncertainty: it can create even stronger distrust and hesitation in the market. In 2007 the governmental agency *Rossvjasokhrankultura* published a five volume “Catalogue of Fraudulent Artworks” outing hundreds of fakes right before the 23<sup>rd</sup> Antique Fair in Moscow. Dealers did not welcome the publication of this catalogue:

This publication is a shot into the market. There are no new customers this time. [...] Our potential buyers – the growing Russian middle class – ‘armed’ with this catalogue, one after another repeated fables about fakes. They do not believe us – professional antique dealers. Our yearly efforts are diminished thanks to such lovers of cheap sensations. Middlebrow people do not see the words ‘*probably a fake*’ that are printed on the cover. They see just black or white. (Nazarevskaia 2007: 14–15, author’s own translation, emphasis added)

The media reported that experts who participated in such publications, or who openly disclosed facts regarding doctored paintings received threats:



A respected art historian and research fellow at the Tretyakov Gallery, he realized that he had authenticated a number of doctored paintings. He warned the owners of the pictures that he was withdrawing his certificates and intended to make his findings public. Immediately, he says, he began receiving threatening phone calls. After a few anonymous callers advised him to keep quiet if he valued his life, he went to the police. [...] Today Petrov moves around Moscow accompanied by two bodyguards. (Akinsha 2006)

This art expert also mentioned that two alleged criminals who supplied the market with “converted” Western paintings were attending his lectures in an attempt to better understand the techniques of various Russian artists (ibid).

Stories in these sorts of publications about instances of mistaken attributions worsen the situation. Based on the governmental database a catalogue of stolen objects of art and cultural valuables was first published in 2006, and by 2008 there were seven volumes. However there were some mistakes:

For example one of the paintings [mentioned in the catalogue as stolen] [...] indeed was stolen several years ago, but already in 2004 it was found by the agents of our unit and returned to an owner. Imagine if they would decide to sell it now? The owner would immediately be told “It’s stolen!” Good if he would not meet an unfair law enforcement officer... (Kirillov 2006: 18, author’s own translation)

In this market equally distributed knowledge (information and skills shared not only by dealers and consumers, but also among dealers, and experts) can create deeper problems with counterfeiting, may lead to reduced profits, and make the market less attractive. It can even cause panic among clients, consequently decreasing sales or motivating clients to make own judgments about authenticity, doubting professional expertise.

Conversely, incomplete knowledge increases uncertainty for all market actors. This means that they have to search for the instruments that reduce the level of uncertainty so that market transactions are not completely inhibited by distrust. Nevertheless, these instruments should protect specialized knowledge from being abused; if knowledge is insufficient they should complement this.

In terms of expertise and attribution the situation is two-sided: on the one side dealers do not want to be cheated by experts. On the other, they are afraid that if the specialists are strictly bound [by financial and legal responsibility], it will be impossible to get any expert verdict. So, in essence we are trying to be civilized in a European way, and at the same time exhibiting a Byzantine cunning. (Kirillov 2006: 18, author’s own translation)

If actors do not trust judgments of product quality, the market collapses unless mechanisms that resolve this problem emerge.

### **7.3. Networks and Stories vs. Institutions and Expertise**

The development of the market in Russia can be described as three parallel processes of coordination. First, as a result of the interaction between the state and market actors, which is often characterized by struggles in the field of export/import restrictions, there are some trends towards the emergence of formal institutions. Such institutions can potentially help to reduce the uncertainty of product quality and overcome the opportunistic behavior connected with fraud and fakes. Second, concurrent with institutional emergence, market actors engage in preserving their network opportunities by safeguarding information and control. While institutions would create more formalized procedures of valuation and reduce possible profits, networks preserve the opportunities to obtain bargains. Therefore, third, actors would like to have institutions protecting them, but would also prefer to have personal networks in order to keep the clients, and to monopolize knowledge. In other words, they reduce uncertainty only to the point where there is neither chaos nor danger (for them personally) in the market. But they do not go so far as ensure clarity about the issues mentioned above: supply, demand, quality, and clients.

As Stark (2009) points out it in relation to other organizational arrangements, actors try to keep creative dissonance in the market, but to do so they reach agreement on several basic conditions. In the Russian case this meant that there should be: no fraud (or not that much); no violence; approximate benchmarks for the value of the goods; and procedures for their qualification as antiques. To achieve these goals antique dealers meet for annual art fairs, they establish professional associations, and have developed a code of conduct. However, they often do this to build trusting relations with customers, and to create an image of an ordered market, which is transparent and safe. For these reasons I will argue that market actors are interested in building institutions because they want to expand the market, search for clients, and enter new market segments. The period of initial capital accumulation that took place in Russia in the 1990s is over. Antiques have already been purchased by those who had suddenly reached higher social positions, and who wanted

these items to legitimize their new status. As a consequence, dealers re-oriented their strategies to attract new clients, who were previously inaccessible through the dense networks based on strong ties. Brokerage outside of the established network then gradually overrides the closure.

When a market is young, actors can achieve high profits by operating in a narrow segment made up of clients who are able to pay high prices; but after a certain period profits go down, and sellers escape a lock-in by attracting new clients. “The circle of collectors and antique dealers is very narrow. It is a kind of ‘closed caste’, which is almost impossible to join without personal connections” (Kirillov 2006: 16, author’s own translation). However, if market transactions were always based on network ties, it would be difficult to attract those who are not in the network; and it is also not possible to infinitely expand the network. Therefore, in the beginning phases of market reemergence it could be described as a network of dealers, clients, and experts whose interactions were based on “enforced trust” (Portes 1998): they were interdependent in many respects. But as long as clients grow in number, they prefer institutional guarantees about the safety of transactions and quality of goods.

Within the context of the early 1990s the absence of such guarantees created fears about possible fraud. Gradually rich businessmen started to hire experts to mediate the transactions with dealers, and later they recommended the ones who did not cheat them to their friends. As one of the former market actors mentions:

In the beginning I was just consulting. Later, because I was acquainted with a very large circle of people, first of all dealers, over time I got some rich clients, buyers... I had to do that [selling, E.B.]. And because I had a very good reputation, they were referring me to each other...: she will not cheat, she will say for sure. (I-10, author’s own translation)

Safety is still important in the market. It was not just the dangers of buying a fake that prevented the market from normal development. As was mentioned above, the antiques business had been associated with organized crime since Soviet times. Possessing and trying to sell anything that is valuable, such as Fabergé, famous paintings or old jewelry could endanger the owner. That is why it was important to work with an expert who would not spread the information further, so that it reaches “the bandits.” The origins of

these possessions were not always legal, and thus preventing the information from being passed to the police was also an important element of the seller's safety in the market. "And when the extremely expensive objects were found, such as Fabergé eggs, for instance, everyone kept quiet, because, lord forbid, they might cut your head off" (I-10, author's own translation). The risk of being cheated and the threat to personal safety significantly inhibited the market from institutionalizing: actors preferred not to advertise their transactions, and cooperated only through personal networks.

To a large extent the market was based on the tacit knowledge that was vital for a successful business transaction, but hardly accessible. Over time, learning and networking helped to equalize the knowledge shared by different groups of experts: as was the case with the customers traveling abroad and learning from the old established galleries and auctions, dealers also educated themselves, partly with the help of the experts, with whom they cooperate. "A businessman has to be able to understand. Many started absolutely without a clue about antiques. After 10, 20-years, when you lose money once, twice, you learn to understand: you run to a consultant, you read books" (I-10, author's own translation). The ability to "recognize the work" (I-20) is believed to be a skill of a good dealer, and his competitive advantage. But dealers are first of all entrepreneurs: they cannot always be good experts at the same time. Therefore together with experts they constitute what Karpik (2010) calls the practitioner network, which ensures the circulation of credible knowledge about objects, supply and demand. Actors still rely mainly on this network, and are quite skeptical about the possibilities of building credible institutions.

Once established institutions would be limited to the role of a mechanism that reduces uncertainty: if clients trust institutions and rely on them, they do not need to search for additional expertise in the field. Trustworthy institutions of expertise can reduce the mystery of the quest, and thus paradoxically endanger the valuation of antiques. In their search for discoveries clients are attracted by the aura of something that is not tangible, not a formal technical description of an old object.

### ***7.3.1. From Singular Objects to Singular Clients: Creating a Mystery for Everyone***

The paradox of the market that prevents it from becoming fully organized is not restricted only to Russia; it exists on the international level as well. Mystery and discovery are reflected in the interviews as something that adds to the materiality of an object. Without this additional value antiques are just old used things, the condition of which is not always perfect; if this is the case, then they are no more valuable than any old furniture. Not only sentimental value should be attached to an object: the whole transaction should be a mystery. If there is no mystery or discovery, it can be created: dealers have their strategies to supplying customers with that feeling of uniqueness.

What I can say for sure – our people do not like to buy something that is displayed. A Russian needs inspiration and excitement. Not from here, but from under the counter, when you say “here – specially for you.” An adventure is important for a client, when it is not from the display, but specially for him, and then psychology works: “it’s only for me.” (I-14, author’s own translation)

Old collectors are usually described as scouts, searching and competing for treasures in the second-hand shops and flea markets; this was particularly characteristic of the Soviet period.<sup>43</sup> This became one of the mental models in the market: a client is first of all a collector, whose goal is not only to find a particular object. He is searching for something that is not known to him yet, but he will recognize it when he finds it. When collected by such a person rare and unique objects create a unique combination in a collection, and a living environment in general. It is the function of antiques – to reproduce the historical epoch or an atmosphere, which is highly personalized and singularized. It is not only the uniqueness of an objects, but also the uniqueness and singularity of a client that constitutes an additional social meaning of antiques. Even the risk to buy a fake creates a challenging situation in the market: a challenge to find a “real” thing.

Collectors and decorators who are driven by an interest in the past are a specifically targeted group in the market; they are sold the stories of mystery and discoveries. Over time they also become more experienced in recognizing authentic objects, and thus do not

---

<sup>43</sup> For more on this topic see, e.g., Firsov, B. Leningradskije Kolleksionery kak Kulturno-Istorichesky Fenomen in *Neprikosnovennyi' Zapas*, No. 2, 2009: 227–239 (Leningrad collectors as a cultural-historical phenomenon, in Russian)

buy into just any mystery: it has to be believably applied to an object. Therefore, authentic objects with a certain evocativeness or which come from mysterious settings attract specific clients to the market. In the following section I will discuss stories as the main tool that helps to combine the material with the transcendental: a real object and a mystery.

#### **7.4. Storytelling as Worth Accounting**

The importance of stories and storytelling has been long discussed within different disciplines and is acknowledged as an essential tool that organizes our cognitive activity. Stories are at the core of oral history studies where they are valued for sometimes being the only source of information about the society and culture of a civilization: they were transmitted from one generation to another long before written historical records appeared. As a consequence, storytelling is considered to be a basic human activity. Over time stories also became the tools for instructing others, not only serving to preserve knowledge:

Stories were told to explain natural phenomena (e.g., the process by which a caterpillar becomes a butterfly) as well as to convey the predominant social and moral codes of a society. Indeed, some stories were and still are told to introduce children and adults to new ways of thinking about values, and to present points of view that might initially be contrary to those held by a listener or reader. (Stein 1982: 490)

In empirical research stories are told in two situations: informants tell me stories about the market, how it functions, and its problems (for instance, the earlier discussion about discoveries was partly based on the stories told by dealers and experts), or they describe stories and storytelling as a market tool. Following Stark, I will use the concept of accounts and accounting as a term that connotes both bookkeeping and narration: “Both dimensions entail evaluative judgments, and each implies the other: accountants prepare story-lines according to established formulae, and in the accounting of a good story-teller we know what counts” (Stark 1997: 51). In the market for antiques, dealers and experts are simultaneously bookkeepers and storytellers. Be it a story about market exchange or a particular antique object, they follow some general conventional lines about the value of the antique as well as tending to include some additional value if possible.

Table 7. 1. Main Types of Stories

	<b>The Role in the Process of Market Coordination</b>	<b>Content of Stories</b>
Stories about the market	Explaining market structure and market mechanisms	<ul style="list-style-type: none"> <li>• Contextualizing stories</li> <li>• Stories about principles of valuation and pricing</li> <li>• Stories about discoveries</li> </ul>
Stories about antiques	Explaining the value of a particular object	Accounting for Worth Generating Value

#### 7.4.1. Market Stories

Informants cannot openly talk about some controversial or traumatic experiences: they generalize them to explain main principles, but do not give any details that can endanger them. For this reason, they often choose rhetoric strategies such as “I will not mention any names, but there was one story,” or “I know a story,” or “there is a well-known story.” These stories normally combine discursive and factual elements and can be understood as myths regarding the market: they relay information about the main rules of market functioning, cases of their violation and corresponding sanctions. In other words, these stories help individuals to become socialized within the market in the market. Stories impart values, and they illustrate successful or unsuccessful strategies for trying to prevent “deviant” behavior. As a rule storytellers do not claim the authorship of a story and rather introduce them as a part of professional discourse or as “common sense” knowledge. Because the interviews were mainly concerned with the problem of valuation in the market, most of the stories mentioned explained the process and paradoxes of valuation; they also provided the reasons why valuation in the market is so ambiguous.

*“Look at our history”*: Contextualizing Stories

These stories describe mainly some historical events that are considered to be real. They influence the value of objects mainly by changing the structure of supply and demand. Sometimes informants claim that the stories are real; they relate events that happened to their families or to the families of their friends and acquaintances. However, some of these stories seem to be simplified versions of known historical facts. Therefore it is not surprising that informants tell stories about the periods already described in the historical chapter: the Russian Revolution, WWII (in particular, the Siege of Leningrad), the *Thaw* of the 1960s and Khrushchev’s housing reform, and finally, the 1990s.

**Table 7.2. Stories Contextualized in Russian History**

<b>Historical Periods</b>	<b>Content of Stories</b>
<i>The Russian Revolution</i>	The main themes of these stories focus on two topics: the non-market redistribution of antiques that led to the discontinuity in the valuation process, and the destruction and loss of many objects that increased object rarity and discontinuity within the records of provenance.
<i>WWII, especially the siege of Leningrad</i>	During the siege of Leningrad many owners died and furniture was again redistributed on a non-market basis; exchange was illegal and led to the creation of famous post-war collections in Leningrad. The siege is the most oft repeated true story of a rapidly decreasing value of luxury goods in comparison to the value of life and basic needs. Regardless, none of the informants claimed it as a part of their family history.
<i>1960s–1980s: Stories about Garbage Dumps and Discoveries</i>	True stories about people who found “treasures” at garbage dumps and personal experiences of the time are usually told by the informants who were born prior to the 1960s. The general message of these stories is about discoveries, taste, knowledge, and the impact of living space on the appreciation of antiques. In many cases changing housing standards and conditions could decrease the demand for these objects more efficiently than ideological propaganda, and literally speaking move many of them back to the trash heap.



<p><i>1990s: Stories of Luck and Murder</i></p>	<p>Two main types of stories are used in describing the 1990s: the great opportunities that appeared after <i>Perestroika</i>, in particular allowing for mass migration by the intelligentsia to Western countries; and detective stories about criminal deeds and deaths. These stories are often fragmented: pieces of one narrative were provided by different informants, as the story seemed to be known by many market actors, especially dealers. Although everyone mentions that the situation in the market is much better twenty years after the antiques trade was legalized (at the beginning of the 1990s), none wanted to discuss facts. They told fairly vague stories “without the names” or “without the details.”</p>
-------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Not all of these stories are necessarily true: telling horror stories, for instance, can be in a way gossiping, and moreover, they can be transmitted and kept to preserve the mystery of the market. “The whole point of a story is that there has to be some departure from the normal. It is the complicating or extra-normal event that gets the story moving. The dynamic between the normal and the unusual maintains the interest of a story” (Colby 1982: 469). These stories ensure that the antiques trade remains a game with often imagined chances for gain; many actors are involved in the game, because they have heard of historical examples of the greatest amount of luck being based on high risk. These stories relate how you can lose your life in times of violent redistribution of luxury, or how you can find treasures at the garbage dump. These stories are not for consumers: if told to the ordinary visitors to an antique shop these would scare them off. But they are known among dealers and experts and thus in a way represent the “corporate culture” of a non-existing corporation.

The second group of stories about the market teaches us the main rules of market transactions and introduces the notion of ambiguity in the process of valuation. Informants told these sorts of stories when they had difficulties explaining the principles of valuation.

*Stories About the Process of Valuation and Price Paradoxes*

If some market actors, especially experts, show their interest in certain objects, and there is a discourse about a new market segment or niche, this increases the value and price of the respective objects. One of the informants, a university professor and an antiques expert, told the story of how she tried to bargain with the owner of an antique shop over lowering the price of a piece. The owner responded that she could not lower the price, because an object like this was described in a publication by some professor who had reported its high value. The author of this article was my informant (I-5).

Almost all market actors acknowledge that over long periods of time the value of high quality antique objects has a tendency to increase. It is also widely known that in well-developed market segments, such as the international auction trade, it is not possible to attain high returns from short-term investments. However disorganized segments offer other examples: the identities and statuses of buyers and sellers influence value and pricing:

A woman had a painting, and a friend of my informant wanted to buy it several times, but she refused. At some point she decided to sell it. She called four people, they all quoted a price of 5000 [USD], and she also called the dealer who had previously wanted the painting. He offered her 8000 and got the painting. Within an hour he had sold the painting for 10 000 to a colleague of his who, as the dealer knew, had a client for this object. By the afternoon the painting had been sold to this client for 15 000. Two hours later another dealer saw it and persuaded the client to sell it to him for about 20 000. In the evening the painting was bought by a rich businessman for 40 000. As the informant claimed, he saw the first and the last deal, and the businessman was very proud of his acquisition: “so, for every participant of a transaction value and price are different depending on status and knowledge.” (I-22, author’s own translation)

This is a story of a short-term arbitrage in the market; it would not be possible if the market were organized. It is also a story of arbitrage within a network: this is clear from the fact that all the participants of this deal were able to see and buy a painting within the course of one day. Ambiguity makes a network that is objectively rather dense and based on trust and strong ties analogous to the loose network based on the weak ties. This is only possible, because the actors do not share the same information, and therefore intermediaries can achieve profits.

### *Stories About Discoveries*

These stories are rooted in the mentioned in the above argument by Thompson (1979) regarding the cycles of transience and durability that objects undergo: “transient object gradually declining in value and in expected life-span may slide across into rubbish <...> it just continues to exist in a timeless and valueless limbo where at some later date (if it has not by that time turned, or been made, into dust) it has the chance of being discovered” (Thompson 1979: 10). Some stories are specifically focused on discoveries. A businessman recognized a chair produced by a famous Russian furniture maker in an ordinary shop sold under “no name” and for relatively cheap; an art expert found a painting in a second-hand shop that “looked like *Benois*,” and later discovered that it was, in fact, an Alexander Benois painting.<sup>44</sup> Finally, there was a story about a provincial museum that had certain rolled up paintings with red stamps on them in storage. No one knew what these stamps were until an employee, who worked in the archives at Saint-Petersburg, discovered that they were copies of famous Hermitage paintings made by the students of the Art Academy; one of them was made by Ivan Kramskoy,<sup>45</sup> and therefore the painting is highly valuable today even as a copy.

The stories tell us about market interactions, roles, statuses and situations that influence the process of valuation; they produce or reproduce different contexts and knowledge, they can serve educational functions, but usually they are not aimed at having a direct impact on market transactions. I will refer to those stories that contain records of value as “worth accounting” stories. They are important, first of all, for market actors, and provide insider information about the market. When informants mention names or facts, they do not provide explanations of who is Benois or Kramskoy, and why they are important. In this case everyone is supposed to know what these authors are worth.

Another group of stories, on the contrary, is devoted to the detailed explanation of value of a certain object, and I call them “value generating” stories, because they are told not only to explain an objects value, but also to create it for a certain client.

---

<sup>44</sup> Alexander Benois (1894–1960), a famous Russian painter, writer, art historian, and art critic.

<sup>45</sup> Ivan Kramskoy (1837–1887), a Russian painter and art critic.

#### ***7.4.2. Storytelling: Generating Imaginative Value***

Telling stories is an act of valuation in a given situation. Stories are thereby judgments of value provided to a client by dealers or experts. They can be true and transmitted from one owner to another; they can also be generated by dealers who want to personalize objects and contextualize them in time and space, and within the reality of a buyer.

Every antique dealer – to some degree and at some point – and maybe for the reason of improving interaction with the client, invents a legend. There is no flat out cheating in it. But knowing about the families, their interests, interiors they lived in ... and then an object appears, and it has no history. There can only be a guess that this object could have belonged to the collection of NN ... and it is important to people, because it is a kind of belonging. You need a story, because it brings mystery, it is like a process opposite to providing technological expertise. (I-6, author's own translation)

As a rule, these stories are based on justifying all possible values that an object can reflect: by telling a story a dealer authenticates an object, personalizes it, and tries to place it in the social context that is close to a client. Authentication is usually provided as provenance, and often remains unchanged unless new facts about the origins or history of an object are discovered. In saying that an object has provenance, dealers signal that it is authentic. But it is not only materiality that constitutes value, as was already shown in Chapter 6. It is also a certain atmosphere, or aura, which is sought after by many people:

For example, here is a table. It is interesting for it is made in Russia. This mosaic technique is Florentine, and the uniqueness of this table is that, amazingly, Russian craftsmen employed this technique. And we also have a legend, which is neither historically proven nor it is falsified: a famous Russian manufacturer had bet an Italian manufacturer a box of champagne that Russian craftsmen would make this mosaic. And he won the bet. (I-6, author's own translation)

Therefore stories do not only create a vision of a client's living space and encourage affinity to a well-constructed object. They also help to situate a person in relation to a remote historical time or event that is represented by an object:

Analytically, the transcendent power of goods can be ordered along three dimensions: the time dimension, associating the owner of the good with a distant past or a desired future state; the space dimension, connecting the owner of the good to (momentarily) unreachable desired places; and the social dimension, linking the owner of the good to people and social positions that are desired but factually out of reach. (Beckert 2010: 14)

The act of transcending is performed through stories. Apart from this, stories help to

circulate and move the objects within market segments. While the objects remain unchanged, the stories can be modified to influence the qualification process. Authentic antiques are by definition valuable, but to understand their value one has to be an expert or to know an expert, and stories provide buyers with the knowledge needed to make judgments. “Individuals chose stories because they can provide needed skills in thinking or dealing with the world. They also provide vicarious experience in areas that individuals (perhaps subliminally) feel a strong need to develop expertise” (Colby 1982: 469). Stories also need to be credible. They should be contextualized in real history, in events that took place and are known to many in the society. Therefore many of them try to appeal to the well-known events or discourses:

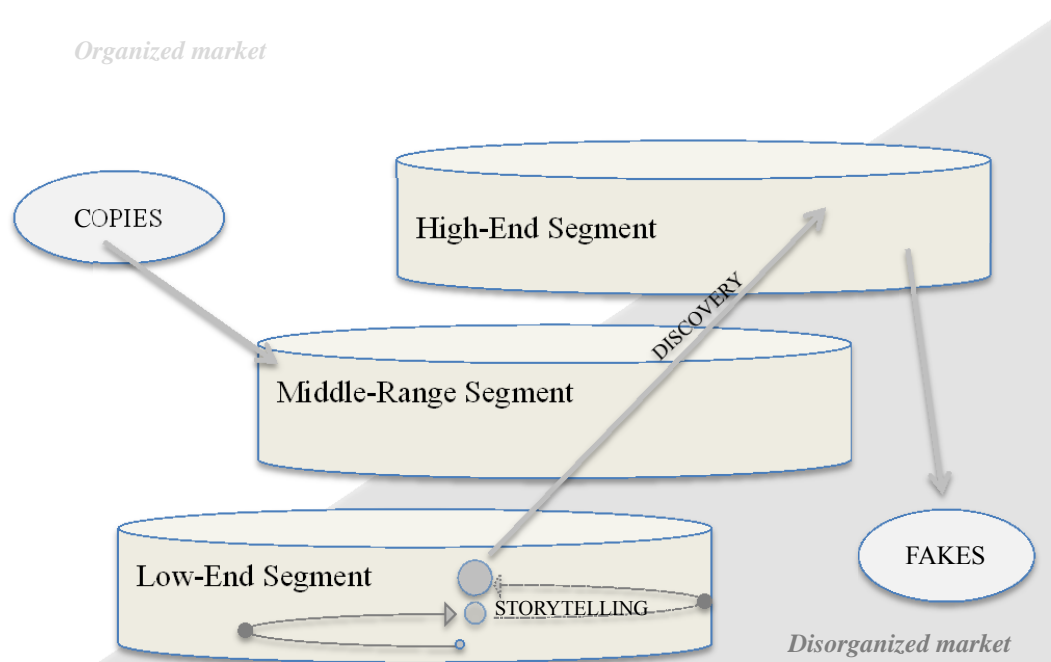
For example, this chest – from the beginning of the fifteenth century [period]. We searched for information and figured out that it is an Italian [country] chest. And the story is that when a girl was married off to someone her parents ordered two chests for the dowry depending on their social status and wealth [sentimental value]. These chests had to be a pair. With this she will go to the parents of a groom. So these chests were always decorated with heraldic elements [...]. Here in the central part – relief – it was added in the eighteenth century. The middle part was usually taken out and used as easel painting, baguette, as a separate element. It is missing here, but it does not reduce the worth of a chest [artistic value]. This bride was wellborn – here is her family’s coat of arms, here is the one of the groom, and one more in the center [social value]. She belonged to the same Piklumini family to which the great Pope Reformer the Fourth belonged [historical value]. And the groom lived in the beginning of the fifteenth century in Tuscany. (I-6, author’s own translation)

This story serves an educational function: not many Russians are well acquainted with Italian history and antiques, but that it was a part of some family history, and this family somehow was connected with a historical personality signals that the value of a piece is significant. For the same reason people often prefer national art: the context provided in the stories places objects in contexts that are part of the picture of the world in a given country and thus can be easily recognizable by individuals.

Although the above-mentioned table produced by skillful Russian craftsmen and the Italian chest were sold in an expensive antique gallery for tens of thousands of euro, their prices could jump even more if dealers could determine that they belonged to a famous Pope himself that the table indeed belonged to Savva Morozov. A chair from the house of Yves Saint Laurent is a recent example; it was sold at Christie’s for 22 millions of euros

in 2009. Stories, therefore, can move objects between market segments.

However big discoveries are rare, though possible, and while waiting for them, antique dealers and clients appreciate the small stories and discoveries that facilitate routine market functioning under uncertainty. Rich provenance is a part of valuation in the high-end segment, where clients are also investors, and thus are trying to invest in the most valuable pieces. But these objects are rare, even though the mass media regularly delivers news about record-breaking sales, and these instances are perceived as characterizing the market. In reality, dealers and auctioneers wait for these sales for decades, while the mid-range antiques are intensively traded with poorer provenance, but still credible and intriguing stories (Fig. 1).



*Figure 1 Storytelling as Market Mechanism*

The three empirical chapters presented above are based on the empirical study of the Russian antiques market. First, the specific context of market coordination was described, underlining the weakness of institutions that can reduce quality uncertainty and generalized distrust. The importance of professional networks as collective calculative (Callon/Muniesa 2005) or judgment devices (Karpik 2010) was analyzed. In the varying practitioner networks, valuation of antiques is provided in the form of narratives that are used to authenticate, personalize and civilize both objects and consumers. They are often delivered in the form of stories that are reproduced, supplemented (with the new findings in history), or changed (by reinterpretations), and translated to the consumers as the proper ways of appraising antiques. This information is disseminated through specialized books and magazines, museum exhibitions, during auctions, and in TV shows.

Stories, therefore, are tools of the trade (Stark/Beunza 2004) that market actors use in the process of exchange; they serve as cognitive supports (Karpik 2010) for those who do not have enough knowledge or skills to make correct judgments of value. These tools and

devices help actors to combine the transformative context of the post-socialist economy, with the complexity of expertise, and the transcendent character of the goods in a unique system of exchange driven to a large extent by narratives. I argue that dealers and experts trade discoveries: they serve as intermediaries between a client who is looking for an antique (but who often does not even know what she wants), and the market, which is a network of dealers, who might potentially have something of interest. Players holding such positions possess specific assets, in the form of social capital and reputation (Burt 1992). With the growing task tied to ambiguity that originates from the market context and the intrinsic problems of valuation of antiques, the value of brokerage in this market increases.

Stories thus help to build bridges between market segments or market actors that are not connected: as described above, a good story can bridge the gap between an attic and a Christie's auction. These stories have different plots and serve different functions in the market: they can account for or generate additional value. The question of why these stories are so successful as market tools is discussed in the following chapter.



## **8. The Cognitive Embeddedness of Valuation**

In the previous chapters a study of the antiques market was approached from different perspectives. Different orders of worth (Boltanski/Thèvenot 2006) emerged in the antiques market as a result of a historical development of interest in the past in Western European countries and in Russia. The development of the market followed the formulation of complex systems of classification in the fields of art history and cabinetmaking that determined the appreciation of objects. As a consequence, art expertise became institutionalized. Experts became intermediaries whose main assets were knowledge and skills of recognition. In earlier chapters, I underlined the impact of societal transformations on the process of antique appreciation in different periods.

This interest grew (as in the Renaissance) in the periods of intensified trade, especially among the newly enriched groups of the population. By contrast, in Revolutionary Russia this process was reversed. At odds with its recent cultural past, Soviet society officially rejected all symbols of the bourgeoisie and upper classes on ideological grounds. In this chapter, I provide a theoretical framework for the historical and narrative character of antiques as artifacts of a particular social order and show how the market is cognitively embedded.

### **8.1. Antiques as a Representation of Social Order**

As already shown, antiques serve as representations of historical events or ideologies. In other words, they tell us about ideas that dominated certain epochs. They are not only physical objects but also a form of narrative, and thus are a part of our cognitive organization. This also means that market transactions that presuppose dealing with antiques, buying and appraising them are not only socially, but also cognitively embedded.

First references in regard to the link between cognition and social reality are traditionally made to Durkheim and Mauss (1973). They argue that logical categories are social categories and thus cognitive structure is in essence social:

The first logical categories were social categories; the first classes of things were classes of men, into which these things were integrated. It was because men were grouped and thought of themselves in terms of groups, that in their ideas they grouped other things, and in the beginning the two modes of grouping were merged to the point of being indistinct... Things were thought to be integral part of the society, and it was their place in the society which determined their place in nature. (Durkheim/Mauss 1973: 33)

Following the ideas of Durkheim and Mauss, cultural and social anthropologists studied how structures of social relations in primitive societies are reflected in the structure of language. For them, language serves as a code that transforms signs into symbols and thus gives grounds for cognition. In *Structural Anthropology*, Lévi-Strauss (1963) underlines the similarities between kinship structure and the structure of language, and discussed the concept of myth and its importance for the understanding of social reality.

Memory and remembering become important concepts for the social scientists, who scrutinized the questions of temporality and historical development of societies. Halbwachs, one of the intellectual followers of Durkheim, published in 1925 his work titled *Social Frameworks of Memory*. His main argument is that people acquire their memories in society, and thus he develops the concept of “collective memory” as opposed to individual memory (Halbwachs 1992 [1925]):

As soon as each person and each historical fact has permeated this memory, it is transposed into a teaching, a notion, or a symbol and takes on a meaning. It becomes an element of the society’s system of ideas... This explains why traditions and present-day ideas can exist side by side. In reality present-day ideas are also traditions, and both refer at the same time and with the same right to an ancient or recent social life from which they in some way took the point of departure. (Halbwachs 1992: 188)

From this he concludes that “social thought is essentially a memory and that its entire content consists only of collective recollections or remembrances” (Halbwachs 1992: 189). For him, the operations of minds are structured by social arrangements: “He [Halbwachs – E.B.] argues that it is impossible for individuals to remember in any coherent and persistent fashion outside of their group contexts” (Olick/Robbins 1998). Gedi and Elam indicate that the real meaning of Halbwach’s concept for the social sciences is “the idea that conceptualization is basically a social function, hence the power of manipulation that society is able to exercise over individuals’ minds or memories” (Gedi/Elam 1996: 38). In his later work, Halbwachs also underlined the influence of physical surroundings, in particular, the interior appearance of the home and its permanence as giving the group an image of its own continuity (Halbwachs 1950).

Some authors were troubled by the concept of “collective memory” because of its disconnection with the thought processes of particular persons. In response, they offered alternative terms (Olick/Robbins 1998): “cultural memory” (Assman 1995; Sturkin 1997), “social memory” (Fentress/Wickham 1992), and “images of the past” (Olick/Levy 1997). Therefore, a field of “social memory studies” was proposed to be “a general rubric of inquiry into the varieties of forms through which we are shaped by the past, conscious and unconscious, public and private, material and communicative, consensual and challenged” (Olick/Robbins 1998: 112).

In post-modernism, memory is further problematized: as already mentioned in the discussion on Halbwachs’ ideas, an important function of memory is to provide individuals with an image of continuity of a groups’ existence. “Fear of rapid and final disappearance combines with anxiety about the meaning of the present and uncertainty about the future to give even the most humble testimony, the most modest vestige, the potential dignity of the memorable” (Nora 1989: 13). He gives as an example the rise of the archival genealogical research as a massive new phenomenon: in 1982, 43 percent of those who did archival research were working on genealogical history, compared to 38 percent of university researchers (Nora 1989: 15). The central concept of his approach is *lieux de mémoire* (place and spaces of shared memory), which are created by a play between memory and history: “[e]ven an apparently purely material site, like an archive, becomes a *lieu de mémoire* only if the imagination invests it with a symbolic aura” (Nora 1989: 19).

Antiques possessed by the rich and noble were integrated in their social worlds, and for a long time they were thought of as representative of these groups. The knowledge and skills of maintaining these objects – as was demonstrated in Chapter 6 – were also characteristic of certain classes and their everyday routines (Goffman 1951). Hence, antiques are not only a part of certain historical arrangements, they are a part of social memory; thus they are *contemporary pictures of the world characteristic of certain social groups*. They portray the world of the past for a larger number of individuals. “History has become our replaceable imagination – hence the last stand of faltering fiction in the renaissance of the historical novel, the vogue for personalized documents, the literary revitalization of historical drama, the success of the oral historical tale. [...] Memory has

been promoted to the center of history [...]” (Nora 1989: 24). Huyssen (1995) argues that the “obsession with memory” is one of the signs of crisis in the structure of temporality, which characterized the concept of modernity.

On the one hand the world of antiques is a social fact that has a certain cognitive power on individuals; on the other, they are a part of everyday routines and are exposed to manipulations by different market actors. Therefore, interest in and value of antiques can be explained as belonging to everyday cognition and common sense knowledge, shaping and being shaped by the realities of the social world according to the Marxist tradition. But this interest and value can also be explained as personal preferences and habits that condition social action through routinization and tradition in the Weberian sense.

Bourdieu (1998), while analyzing the power of the state, argues that acts of obedience and submission are cognitive acts “which as such involve cognitive structures, forms and categories of perception, principles of vision and division. Social agents construct the social world through cognitive structures that may be applied to all things of the world and in particular to social structures” (Bourdieu 1998: 53). These are the cognitive structures enforced by French kings as well as by Soviet ideology; in the latter case they considered antiques as hostile objects inappropriate, e.g. for workers. This association led to the rejection of such objects.

In the socialist system of preferences the value of these objects was reduced to historical importance when displayed in museums. Public perception was structured in such a way that there was no space for these objects, neither symbolic nor physical: there were just a few sectors of that world where antiques were valued, namely in museums. Although all Soviet people had an opportunity to view the objects (in museum exhibits) they were excluded from everyday practices (Certeau 1984) connected with the objects: restoring, attributing, and polishing. Habitus (Bourdieu 1984), however, is not easy to change, nor are the corresponding practices. In the Soviet Union this was possible because of the physical loss of objects and representatives of the society who had internalized the value of antiques in their picture of the world. People as well as objects were either destroyed; they emigrated; or were even sent abroad by the new government.<sup>46</sup> Therefore, in the

---

<sup>46</sup> The Russian emigration that spread around the world after the Revolution of 1917 consisted, to a large

beginning of the 1990s new groups of consumers could not routinely use the necessary skills of appreciation, as it took people some time to acquire them.

In his daily life, man, according to Schütz (1970), anticipates things with the help of a scheme for interpreting his past and present experiences. This scheme is based on the “stock of knowledge” available at any given moment. “This stock of knowledge has its particular history. It has been constituted in and by previous experiencing activities of our consciousness, the outcome of which has now become our habitual possession” (Schütz 1970: 74). Language is essential for the understanding of the reality of everyday life (Berger/Luckmann 1967). Linguistic signification, as the authors argue, allows for common objectifications of everyday life. Besides, language has the capacity to transcend the “here and now” in spatial, temporal and social dimensions bridging different zones in the reality of everyday life:

Through language I can transcend the gap between my manipulatory zone and that of the other; I can synchronize my biographical time sequence with this; and I can converse with him about individuals and collectivities with whom we are not at present face-to-face interaction. As a result of these transcendences language is capable of “making present” a variety of objects that are spatially, temporally and socially absent from “here and now.” (Berger/Luckmann 1967: 39)

Apart from a narrow circle of antiques connoisseurs, intelligentsia, and party nomenklatura the majority of potential customers in Russia were only acquainted with antiques through literature and the arts: these objects were mentioned in books, in paintings, and exhibited in museums. Therefore, everything that resembled the images from these sources was considered to be valuable:

Any member born or reared within the group accepts the ready-made standardized scheme of the cultural pattern handed down to him by ancestors, teachers, and authorities as an unquestioned guide in all the situations, which normally occur within the social world....It is a knowledge of trustworthy recipes for interpreting the social world and for handling things and men in order to obtain the best results in every situation with a minimum of effort by avoiding considerable consequences. (Schütz 1970: 80)

As far as these schemas, which originated in previous situations, withstood the test, they become a part of an actual situation. For many new consumers experiment with this amid their social surroundings: if friends and neighbors approve of this attitude towards

---

extent, of those who escaped from the country at the beginning of the revolution. But an interesting example of an ideological rejection was the so-called *Philosophers' ships* that in 1922 carried more than 160 expelled Russian intellectuals to Germany.

antiques, they keep the schema. However, as was shown in Chapter 6, with time a new testing situation arose – consumers started to compare their preferences with the “European”. The world could not be taken for granted anymore, something had changed, and buying *Baroque* was not treated in the same way as before. Theoretical knowledge, based on judgments from books and museum displays, was gradually substituted with the practical knowledge and skills of handling the objects. “In order to master a situation we have to possess the know-how – the technique and the skill – and also the precise understanding of why, when, and where to use them” (Schütz 1970: 111).

Taking a step further, Zerubavel (1999) supposes that the whole cognitive organization is operated as a social system. He introduces mental values, norms, different forms of socio-mental control and even sanctions. Cognitive cultures and subcultures denote our membership in thought communities: churches, professions, political movements, generations and nations. Thus he presupposes the isomorphism between social and cognitive structures, which makes the proposition of high predictability of cognitive outcomes stronger. Even the way we mentally process what we perceive, according to Zerubavel (1999) is to a large extent socially mediated:

Even when I encounter something for the very first time, my mind is hardly a tabula rasa. Indeed, I often have some prior expectations, which accounts for such common experiences as disappointment and surprise. Such expectations are based on the schematic mental structures that exist in my mind prior to the actual act of perception and which strongly affect the way I process my sensory experience. (Zerubavel 1999: 25)

Once we have classified the objects, we try to fit everything that we encounter into these classifications. An important point here is that when actors in the market are the representatives of different thought communities committed to different mental structures, they operate in different systems of classifications that emerge from their social experiences. Hence, while art experts were for a long time at least partly trained in museums and galleries, where they acquired knowledge and skills relevant to the developments in art history and theory; consumers and dealers consider the objects in the context of their life experience. Communities give us “optical lenses” through optical socialization, and thus we acquire an “optical style” of perceiving things (Zerubavel 1999: 33). Different mental structures lead to conflicts in the process of valuation.

An interesting example was given by one of the dealers, who told a story about an

antiques fair, where she was selling two sculptures: a bronze one, and one of marble. As she insisted, the marble one was “real” art, which a museum wanted to buy, but it was too expensive; the bronze one was just a sculpture of a nude woman. A customer came and said that he wanted to buy the bronze one; based on his appearance my informant assumed he was from the “new rich” who were often also associated with criminals. She also advised him to buy the marble sculpture, because it was more valuable. However, the customer rejected her proposition, claiming the sculpture reminded him of a cemetery. One can see a basic mismatch in the classificatory principles of the two. The expert used an art historical approach, and considered a sculpture of pink marble as an early or late antiquity; the customer approached the question by judging the situations in which he was confronted by bronze nude sculptures and marble ones.<sup>47</sup>

As Berger and Luckmann argue, actions that are repeated once tend to be habitualized (Berger/Luckmann 1967). Habitualization leads to the emergence of institutions that comprise social order. To trace the emergence of institutions one has to pay attention to knowledge on the “pre-theoretical level” as the authors call it, which can provide a key to understanding the social order:

It is the sum of total “what everybody knows” about a social world, an assemblage of maxims, morals, proverbial nuggets of wisdom, values and beliefs, myths and so forth, the theoretical integration of which requires considerable intellectual fortitude in itself, as the long line of heroic integrators from Homer to the latest sociological system-builders testifies. (Berger/Luckmann 1967: 65)

This sum of knowledge that circulates among dealers, experts, and clients comprises the pre-theoretical level: the process of institutionalization of the market can be traced from this starting point. Meanings, which constitute myths and other narratives in the market, tell us about rules, norms and values around which market operation is based.

The meanings acquired by individuals are closely related with the rules provided by institutions: these mutually influence each other. In the field of institutional analysis cognitive dimensions appear in the form of shared mental models (Denzau /North 1994)

---

<sup>47</sup> It should be noted that in the 1990s when violent entrepreneurship was flourishing in Russia, many rich criminals who were killed were buried according to their newly achieved social positions: often with huge marble monuments, gardens, and springs. Therefore, it was not surprising that a customer who looked like a criminal had an associative link to a cemetery culture rather than to Greek or Roman antiquity.

that provide the framework of a common interpretation of reality. Mental models are “the internal representations that individual cognitive systems create to interpret the environment” (Denzau/North 1994: 4). Institutions fulfill the task of structuring and ordering the environment. Denzau and North show that people need shared explanations of the environment, and cultural learning can provide them with the categories and concepts to organize this experience. “The cultural heritage provides a means of reducing the divergence in the mental models that people in a society have and also constitutes a means for the intergenerational transfer of unifying perceptions” (Denzau/North 1994: 15).

According to Fligstein, social action takes place in “arenas, what may be called *fields, domains, sectors, or organized social space*” (Fligstein 2001: 15). Collective actors try to produce a system of domination in this space and this, according to the author, requires the production of a local culture that defines the local social relations between actors. Abolafia (1998) explores this by studying the set of decision tools available for market makers. These decision tools are “scripts created by decision makers for coping with the uncertainty and ambiguity in their environment” (Abolafia 1998: 74). After these tools are institutionalized they become available to all participants of a market context, or, using the notion mentioned above, they become shared mental models.

In the context of the early 1990s, actors in the Russian antiques market had controversial mental models. Available cultural heritage enabled them to make judgments about the cultural or historical value of antiques, but they were unable to coordinate, or share other types of valuation. Existing “pre-theoretical” knowledge about market order was not institutionalized, and what is more, the norms and values that existed informally were not legitimized. The task of a dealer or an expert in such a situation was to align contradictory mental models of value with some understandings that were shared at least by experts who followed the norms of a legitimate institution of expertise. First, some basic rules and norms were “borrowed” from informal institutions and the international market for antiques. Classes of things and events were gradually constructed, and many of them became models of the market shared by the majority of the players. However, the process of institutionalization is still not over. Therefore, actors still “interpret” rules and norms in the process of valuation. This is possible, because social and individual



cognition is not exclusively schematic. Apart from having some models of social reality, actors in this market are actively involved in the process of (re)interpretation.

## **8.2. Schemata and Interpretation: How an Antique's Value Becomes Imaginative**

As mentioned in Chapter 6, recognizing an undervalued asset – an original, rare, not well-known, and valuable object – is one of the main skills of all market actors in the process of authentication. Traditionally it is connected with internalized, preexisting categories and classifications that were created by previous generations of art historians, and craftsmen:

Stimuli to which one is exposed are, at least partly, semantically analyzed, i.e. linked to preexisting cognitive categories, before they possibly rise to consciousness... Those stimuli which, during the automatic semantic analysis, are linked to cognitive categories with high pertinence, i.e. cognitive categories which are currently relevant because they are associated with goals actually pursued, a problem in the process of being solved etc., will have the highest chance of being consciously perceived and stored. (Grunert 1994: 94)

Therefore, all of the experts – as shown in Chapter 6 – demonstrated quite clear patterns of value sequences: the list of categories by which an object is attributed as antique arranged according to the importance of each. Our memory is organized as a hierarchical network, and the strength of associations between nodes representing abstract concepts and nodes corresponding to phonemes (like in the case of *my name*), determines the success of the recognition work. Therefore recognition greatly depends on the previously stored information (Grunert 1994).

But recognition is applicable only to the well-known stimuli. Otherwise, to make sense of what we perceive, we need *interpretation*.

Interpretation can be viewed as a process of categorization: It is attempted to sort objects or events perceived in the environment into the cognitive categories which organize previous experience. The less familiar the object or event, the more ambiguity is there with respect to the categorization. (Grunert 1994: 96)

This experience is later *integrated* into memory structures, where it is *stored* in schemata, or scripts of frames, which represent a model of cognitive processing. They represent “declarative knowledge” about facts, events, and objects, as well as “procedural knowledge” – the storage of perceptual skills. But the problem with the antiques market is that the objects are singular, and thus we can say that experiences with these objects are also singular. Therefore, it is almost impossible to create a schema that will be efficient in

all situations, and as a consequence, the process of interpretation becomes as important as the recognition of patterns.

Social science researches tend to emphasize the description of those perceptions, beliefs and thoughts, which are conventional in a society and have a standardized, repetitive character. DiMaggio (1997) refers to schemata in his work on cognition and culture while distinguishing between automatic and deliberative cognition.

This routine [automatic], everyday cognition relies heavily and uncritically upon culturally available schemata – knowledge structures that represent objects or events and provide default assumptions about their characteristics, relationships, and entailments under conditions of incomplete information. (DiMaggio 1997: 269)

In the process of automatic cognition schemas appear as representations, they entail images of objects and the relations among them. Therefore a schematic method of attributing antiques is the basis for the process of authentication, and it helps to facilitate the process in instances of unequally distributed knowledge. But the Russian market for antiques is a good example of what can happen when actors rely on schemata “heavily and uncritically.” Because experts have a great deal of power over dealers and buyers, they enforce their schemata of valuation, educate buyers, and try to persuade them to use better schemes of perception.

When schema failure occurs, individuals are using deliberative cognition that also includes attention and motivation (DiMaggio 1997). These are situations in which people are able to override programmed modes of cognition. The market for antiques is an example of alteration between automatic and deliberate cognition: experts can ‘see’ automatically authentic or fake objects until they make a mistake (for example, they discover that a certain pattern of wood carving does not necessarily attribute a piece to a certain epoch). They then start deliberately reinterpreting other characteristics that can help to authenticate a piece:

[S]chemata can also be activated through conversation, media use, or observation of the physical environment. Understanding the interaction between two distributions – of the schemata that constitute people’s cultural toolkits, and of external cultural primers that act as frames to evoke (and, in evoking, exerting selection pressures upon) these schemata – is a central challenge for sociologists of culture. (DiMaggio 1997: 273)

Schemata in this situation are connected with practical action: as in Chapter 5, a good expert is supposed to have experience not only in learning about antiques but also in

repairing them. But when schemata are different (for instance, those of dealers and buyers), actors adjust them to make transactions possible. Through justifications and conventions they come to a judgment of value that is legitimate for all participants in the exchange.

### **8.3. Justifications and Conventions**

Boltanski and Thèvenot (2006) offer an extensive analysis of a cognitive tool that helps to solve the general problem of coordination in human behavior. They introduce the notion of modes of justification, institutionally linked discourses embodying specific orientations toward actions and evaluation. To justify their positions successfully, agents need to ground their stances on a legitimate definition of worth (Boltanski/Thèvenot 1999: 364). Legitimation is achieved when they appeal to the universal orders of worth that emerged in the course of the historical development of the societies.

Orders of worth in the market for antiques arose as a result of socio-economic and political developments and through the “participation” of the objects in the historical process. Their indicators can be identified in the publications on art history about periods, styles, and schools of decorative art. They can also be found in the catalogues of the famous auction houses and provenance research reports of big museums, where rarity, and cultural and historical importance are considered. This knowledge is distributed across networks of experts, and its purpose is to create universal models of valuation of art objects. In his recent papers, Thèvenot (2007) explores the plurality of cognitive formats that characterize actor’s access to reality, and “the way she grasps it so as to coordinate her behavior within a certain apprehension frame” (Thèvenot 2007: 415). These formats are thus the integral part of a person’s relation to their environment, in engagements between them, which are not equally ready to be “commonized”:

The *regime of familiar engagement* maintains a personalized, localized good: feeling at ease. [...] This type of engagement is linked to local, personal clues in the immediate surroundings. [...] Familiar attachments to material surroundings are inseparable from the person at her most deeply personal; they affect whether that person is well- or ill-disposed and ensure (or fail to ensure) that he or she has “a good seat” in the saddle, as it were. (Thèvenot 2007: 416)

He argues that the relevant reality is grasped according to a cognitive format, which is grounded on the conventional qualifications of persons and things. As suggested,

information differs from one level of worth to another by qualification: market value, statistical measuring of performance, fame, etc. The qualification of objects as antiques is one of the core activities in the market under investigation, and was analyzed as a part of the valuation process (Chapter 6).

In standard markets, valuation is often viewed as calculation, a part of rational decision-making. However, the value of antiques as singular goods cannot be calculated according to the postulates of rational choice. One step was taken towards uniting the concepts of calculation and judgment: Callon et al. (2002) propose qualifying and positioning socio-technical devices that help to distribute cognitive competence. According to the authors, agents define characteristics of a product: “a good can be defined by a combination of characteristics that establish its singularity” (Callon et al. 2002: 198). Therefore the central activity of agents is the qualification of products. For Callon (2002) a process of qualification is more important than its result – a certain value based on the characteristics of an object. There are “market professionals” who are involved in coproduction of singular and objectified properties, and who, with the help of classification, clustering, and sorting make products comparable and different (Callon/Munieza 2005). Market transactions are thus based on the processes of qualifications and requalifications of things, and include an open list of qualities that can be taken into consideration. Conversely, in the framework developed by Karpik (2010), the main focus of attention is on certain configurations, in which the quality of products is important, rather than on the process of (re)qualification (Callon et al. 2002: 215).

Karpik develops a concept of “calculative judgment devices” that are cognitive supports in the process of valuation; they are “practices that combine [...] teaching, persuading, and seduction” (Karpik 2010: 44). These devices reduce the cognitive deficit that market agents experience under uncertainty of product quality. He distinguishes between five categories of judgment devices: networks (personal, trade, or practitioner), appellations (brands and labels), cicerones (critics and guides), rankings (expert and buyers), and confluences (techniques to channel buyers).

Judgment devices offer *oriented knowledge*, and implicitly or explicitly they set the conditions the consumer must respect in order for an adjustment between the product and the consumer to be satisfying. They qualify simultaneously both product and client – which

means that the third party literally constructs the exchange relationship. (Karpik 2010: 51) These judgment devices facilitate the process of valuation in the antiques market as well: networks, appellations, and cicerones help to create judgments of value in the form of narratives of value.

The role of personal *networks* is to circulate the information about success of exchange and thus about reputations. The most important implication of a personal network is protection from opportunism. The trade network consists of dealers and their representatives (shop-floor sellers) and buyers. Trust is important for the situation of exchange, and normally actors within the network spontaneously produce trust when confronted with uncertainty. But as described in Chapter 5, the Russian context is characterized by a very low degree of trust, and thus personal networks play a more important role in the market. Finally, networks of practitioners that should ensure the circulation of knowledge are also fragmented and endangered by the opportunistic behavior of some of their members. Of course some forums, where experts share their achievements and discuss market problems, exist, but they do not influence the market directly. As a result, the networks that are judgment devices in the market are heterogeneous: experts, dealers, and buyers are protected from opportunism, they produce trust, which is often enforced, and they circulate the knowledge.

*Appellations* are the second judgment device that works in this market. On the one hand appellations are styles, names of authors, producers, and epochs when objects were made. They structure “the designations that populate the shared imaginary space” (Karpik 2010: 46). *Cicerones* are represented by magazines on antiques, museum exhibitions, guides for antiques collectors, catalogues of auction houses, and Internet services that help to trace prices and the value of objects. There are no critics as such who make judgments of taste in the market, but there is a growing group of designers who use antiques as home decoration. All of these offer evaluations of singularities.

*Confluences* are quite rare in this market, but exist in the high-end segment. As one of the dealers acknowledged, they intentionally tried to avoid the feeling of a second-hand shop in their gallery, and reproduced the atmosphere of a comfortable apartment. This helps to place objects in the lifeworld of a customer. As I already mentioned in the empirical

chapters, sometimes sellers hide price tags or things that allow buyers to participate in the game of discovery and recognition.

In the Russian market for antiques, where asset specificity is contextualized by lacking institutions and formal rules, these devices are not yet well developed and legitimized. Therefore, in the following section I will argue that stories support appellations and confluences as well as providing networks with the tools of trade.

#### **8.4. Stories and Discourses: Combining Classifications and Interpretations**

In his book *The Practice of Everyday Life*, de Certeau portrays the narrativization of practices as a “textual ‘way of operating’ having its own procedures and tactics” (Certeau 1984: 78). With the references to Foucault and Bourdieu, who make stories an important part of their scientific inquiry, he claims that a theory of narration is indissociable from a theory of practices:

One can then understand the alterations and complicities, the procedural homologies and social imbrications that link the ‘arts of speaking’ to the ‘arts of operating’: the same practices appear now in a verbal field, now in a field of non-linguistic actions; they move from one field to the other, being equally tactical and subtle in both; they keep the ball moving between them – from the workday to evening, from cooking to legends and gossip, from the devices of lived history to those of history retold. (Certeau 1984: 78)

In this section I will discuss procedures and tactics of antique dealers in the form of storytelling. Stories (what is narrated) and discourses (how it is narrated) are the elements of narrative as a general concept (Chatman 1978). Stories are created and circulated in the market, they are always a generalization that helps to cope with cognitive deficit and personalization that attaches a product to a buyer: thus, they also serve as cognitive supports. The nature of the value of antiques created the possibility for stories to influence the market: to address a lack of information about objects and their relation with the past (which is now imagined, but it was real). Like antiques, stories have their origins in early societies. They often travel with the objects from one owner to another, sometimes being transformed in the process of personalization. With the help of stories, individuals can share the culture of the past, which is to share schemata about social life (MacIntyre 2006). Social life is ambiguous and thus schemata make reasonable action possible. They are “prescriptions for interpretation” as opposed to empirical generalizations (MacIntyre 2006: 4).

In the market for antiques schemata relate to assessing and judging styles and schools as well as to valuation of different historical epochs. Thanks to schemata *Art Deco* style is considered today more appropriate than that of *Baroque*. Epistemological interest in the past was characteristic of the Renaissance and led to the extensive studies of Roman history and its artifacts. This helped to create the “atmosphere” of a glorious epoch, a perception which is shared by contemporaries. According to Certeau (1984), “narrated history creates a fictional space. It moves away from the ‘real’ – or rather it pretends to escape present circumstances” (Certeau 1984: 79). This fictional space, an imitation of the past was created through studying the texts of ancestors and the objects that surrounded them.

Therefore, a narrative is not a description of the state of the world or an event – it is an event or a state of the world that happens in the fictional reality.

What is communicated is *story*, the formal content element of narrative; and it is communicated by *discourse*, the formal expression element. The discourse is said to ‘state’ the story, and these statements are of two kinds – *process* and *stasis* – according to whether someone did something or” something happened, or whether something simply existed in the story. (Chatman 1978: 31)

Stories are considered to consist of two groups of elements: kernel events and satellite events, the “skeleton” and the “flesh” of the story (Chatman 1978: 54). From this structural point of view the concept “skeleton” refers to the main plot of the story, and has to remain unchanged, while satellite events can vary. In the market, the skeletal frame of a story usually consists of “true” elements: dealers tell a story in the form of provenance, and this constitutes the authenticity of an object. The varying element of the story relates to personalization and civilizing – it refers to different cultural and historical facts, and can be changed depending on the recipient of a story (see Table 8.1.).

**Table 8. 2. Stories as Cognitive Supports**

General Structure of a Story		Stories in the Market for Antiques	
“Skeleton” – kernel events	Main plot of the story, normally remains unchanged	“True elements” – provenance	Authentication
“Flesh” – satellite events	Varying elements	“Armchair nostalgia”	Personalization Civilizing

In other words, the core events are conventional and they are based on shared understandings of authenticity and originality (e.g. this is a wonderful piece representing the best years of *Boullé* manufacture produced by a well-know master N), while satellite events are used to personalize an object, to create an attachment to a future owner, and can thus be varied in different situations (e.g. he was the same age as you when he produced this masterpiece). This opportunity to alter a part of a story allows the storyteller and the recipient to move objects and themselves within and between fictional realities as described by Certeau (1984). The imaginative value of goods (Beckert 2010) is created in these realities, which in the case of the antiques market is connected to the past.

Appadurai (1996) discusses imagined histories in his critical consideration of the phenomenon of “armchair nostalgia”: nostalgia without lived experience or collective cultural memory (Appadurai 1996: 78). He considers repetitions in consumption and fashion as an artifact of this nostalgia.

Insofar as consumption is increasingly driven by rummaging through imagined histories, repetition is not simply based on functioning of simulacra *in* time, but also on the force of the simulacra *of* time. That is, consumption not only creates time, through its periodocities, but the workings of ersatz nostalgia create the simulacra of periods that constitute the flow of time, conceived as lost, absent, or distant. (Appadurai 1996: 78)

Thus stories not only create fictional reality, within which objects and people move: an object’s relocation in reality is often a result of the circulation of these stories in the market. As Akerlof and Shiller (2009) argue, stories are relevant to economics as a whole:



“the stories no longer merely *explain* the facts; they *are* the facts” (Akerlof/Shiller 2009: 54). Focusing in particular on stories of a new era, the authors illustrate the role of stories in creating confidence in the market:

Confidence is not just an emotional state of an individual. It is a view of other people’s confidence, and of other people’s perceptions of other people’s confidence. It is also a view of the world – a popular model of current events, a public understanding of the mechanism of economic change as informed by the news media and by popular discussions. High confidence tends to be associated with inspirational stories, stories about new business initiatives, tales of how others are getting rich. (Akerlof/Shiller 2009: 55)

As an example, they mention the stock market boom of the recent decades that was accompanied around the world by such inspirational stories. That such stories can both motivate and encourage confidence was visible not only in Akerlof and Shiller’s example, this can also be identified in the case of the Russian antiques market.

### **8.5. Uncertainty, Ambiguity, and Confidence**

Turning back to the market analyzed herein, I suggest that in the antiques market, which operates under high quality uncertainty, stories also create confidence among clients: inspirational narratives about real (or analogous to real) events of the past are collectively used by dealers, and experts as judgment devices (Karpik 2010). By compensating for cognitive deficit (described in Chapter 4 in relation to epistemic uncertainty in the market) they do not reduce quality uncertainty, but they increase buyers’ confidence *despite* high quality uncertainty. Creating a link between an object and its new owner through personalization, they shift the focus of attention from concerns about authenticity to amplifying the object’s personal or social meaning for an individual.

I started this research by questioning the process of valuation of goods under high quality uncertainty. Quality uncertainty was treated as a special case in the market of antiques due to the market’s embeddedness in the past. It is influenced by three main factors: first by the existence of multiple orders of worth. Second, memory, in particular social, is fragmented, and thus the necessary data about quality is often lacking. And, third, new discoveries and disappointments are always possible. These characteristics make the market a space of ambiguity, where everything is subjected to conflicting (re)interpretations. On the one hand, ambiguity poses the opportunity for higher returns, and makes disorganized market segments attractive for those who search for bargains. On

the other hand, too much ambiguity in the market makes buyers reluctant to reach decisions: for historical reasons and partly because of general cognitive restrictions, they need support in the process of decision-making. This support is provided by networks of experts and dealers who are trying to “educate” their clients, to bring their mental models of the market and valuation of antiques in line with some conventions. These efforts are organized as narratives, which teach buyers the basic rules of appreciation of art and antiques, but leave space for the personalization of the objects. Personalization is possible because of the “inspirational part” of the stories that gives the recipient confidence in the high value of an object.

It could be much harder for the actors in the Russian antiques market to exploit uncertainty and enhance ambiguity, but the period of transformation of the socialist system created the grounds that make this possible. From a sociological point of view, the environment was no longer a habitual one nor institutionalized. As Stark argued in the debate on transition and transformation in the middle of 1990s, East-European economies lacked the diversity of new capitalist institutions for entrepreneurship. Therefore, they logically recombined the institutions from the old socialist economy with the Western ones (Stark 1996). As a result of this recombination nothing was *taken-for-granted* anymore. Similar processes occurred in the market for antiques: old informal rules and institutions were combined with new ideas from the highly profitable international market for antiques. With the help of judgment devices (Karpik 2010), actors in the market achieved some conventional understanding of the basic value of products and of the different orders of worth that need to be taken into account (Boltanski/Thevenot 2006). Stories played an important role in this process.

Stories relay some of the essential principles on which the market is built. Yet, they are also mutable and can play with the imagination, and thus value, often significantly increasing it. Stories embed the market in social memory, shared mental models, and their creative interpretations. But because stories are subjected to change in the process of market transactions, and they are often changed collectively, they transform our ideas about the market. They are not only tools of the trade. Storytelling is the mechanism of market institutionalization as Berger and Luckmann (1967) fundamentally described it in relation to the whole society. The market for antiques is socially constructed by stories.



## 9. Conclusions

Bargaining is one of the most important components of the antiques business. Buying cheap and selling at a higher price is the main strategy of a good antiques dealer. But beyond this simple principle there is a complex problem of market coordination constituted by valuation, cooperation and competition. This project was devoted to inquiring into how this simple strategy is implemented by real market actors. How do they create price difference? What do necessity and practice presuppose in this business, and what makes the market so stable even when facing disruptive societal changes?

Valuation and assessment of antiques were the focus of the thesis: the symbolic and narrative character of these objects of the past makes them a special case among other singular goods. Their value developed over time into a number of orders of worth (Boltanski/Thevenot 2006) where antiques are conceptualized as historical, cultural, aesthetic, sentimental, and financial assets. As objects of art, antiques are not standardized: in some cases they were produced as unique and single objects, in other cases the process for becoming a valued antique varied. Moreover, many antique objects have their own histories relaying evidence of the unique circumstances under which they produced, exchanged, possessed, lost and found again. As a result there are almost no antique objects that can be assessed using one given set of criteria.

In market terms such characteristics of antique objects translate into high uncertainty of quality for these goods. In light of this, the question to be answered was: *How are antiques valued given the uncertainty of product quality and the context of unstable macro-structures in Russia?* The main goal was to find market devices that help to solve this problem. An inquiry into the possible devices was presented in the empirical study of the antiques market in Russia as well as in research on the history and nature of unstable macro-structures that influence valuation.

The Russian market for antiques was chosen for two reasons: First, it has rapidly grown in the last decades in terms of demand. Second, Russian society has undergone several

periods of significant changes relating to the valuation of antiques. Whereas in Western Europe and the US the appreciation of antiques had a tendency to grow during the last two centuries, the opposite was true in Russia. The Russian Revolution, different periods in the history of the Soviet Union, and, finally, the years of post-Soviet societal transformation influenced the valuation of these objects, particularly in accordance with state ideology. It can be clearly seen in the example of Russia, how changes in political, social, and cultural values influenced appreciation and valuation of objects belonging to ideologically rival cultures.

These factors determined the research strategy: to start with the conventional explanation of actor behavior in instances of quality uncertainty, and then to move to the specific Russian case. To show how historical events, social and political transformations influence the valuation of these objects, I first analyzed the development of interest in the past and its objects and the emergence of the European antiques market. Second, the case of the Russian antiques market was subjected to an empirical investigation because it represents an example of how rapid social and political changes result in the ideological rejection of the cultural past. Revaluation and devaluation were both part of these processes.

## **9.1. Valuation: History, Transformations, and Cognition**

The research objectives formulated in the introductory chapter helped guide the course of inquiry: shifting from a historical analysis of the evolution of orders of worth, to their dependency on social and political changes, and drawing conclusions based on empirical research into the mechanisms of valuation in the contemporary Russian market for antiques. As a result, the three core parts of the text each contributed different results: the historical, discussed the importance of the past. The empirical section analyzed the data and the specific case of the Russian market. And, finally, the conceptual portion framed the empirical findings in terms of uncertainty, ambiguity and the cognitive embeddedness of valuation in the market.

### ***9.1.1. The Importance of the Past***

Inquiry into the past contributes to our understanding of the strategies of market actors in

the present and their expectations and projections into the future. There are two main results of the historical analysis of the antiques market. First, different modes of valuation, or orders of worth emerged over the course of European history. As a consequence, the notion of quality of objects became a complex of different criteria, and it is therefore highly uncertain and ambiguous. Consequently, market actors did not only have to cope with this ambiguity, they strategically exploited it in routine market transactions and in their business strategies. The market is thus cognitively embedded in the historically shaped modes of valuation as well as in the collective social memory. Second, in the Russian case, social transformations changed the appreciation of antiques and could significantly increase or decrease their value. This added to the understanding of how the market is embedded socially and politically.

The question guiding this analysis was: how were these objects valued during several periods which witnessed their ideological rejection and destroyed standards of valuation? First, the Russian case demonstrated the process of “market borrowing” in the eighteenth century as a part of the modernization project initiated by Peter the Great. This was supported by extensive palace construction projects in Saint Petersburg and Moscow. Second, in the years following the Russian Revolution of 1917, the market was gradually forbidden, antiques were widely depreciated in the domestic market, and many valuable items were exported. The ideological struggle with the *petit bourgeois* lifestyle, and changes in housing policy were the mechanisms of devaluation of antiques: both symbolic and functional.

Third, as an element of illegal activity, some actors developed mechanisms of valuation in a non-market economy. There was no legal antiques market for almost 70 years (apart from few second-hand shops that sometimes had antique objects for sale). A few collectors, members of the elite, and illegal market actors were the only portions of the population who could afford and were interested in antiques. Furthermore, the entire illegal market existed only in the form of personal networks. Fourth, there were no market mechanisms that could legally influence the valuation of objects: for the majority of the population historical and cultural values were the only familiar and accepted values. Valuation was predominantly influenced by museum experts who had access to a

large stock of objects of art and an opportunity to obtain expertise. Fifth, many objects in Russia lost their *provenance* – records of origins and ownership; this disruption of records created the opportunity for conflicting judgments of value and authenticity. Based on the interviews with experts, I described the process of re-establishing valuation criteria and subsequent revaluations that took place in the 1990s, after commercial activity was officially allowed.

### **9.1.2. Uncertainty and Ambiguity**

Conceptually, I approached the problems of quality uncertainty and ambiguity; I thereby analyzed research in the field of cultural economics that focuses on the problems caused by imperfect or incomplete information regarding art and antique objects or judgments of their quality. Usually institutions and networks are thought to be the devices that reduce quality uncertainty. These can be found in the antiques market as well: the most important institutionalized mechanisms that coordinates the market are auctions, in particular, Sotheby's and Christie's play dominant roles. Most importantly, they set some standards of valuation and provide public information about a large number of objects that are already evaluated and can serve as *étalons* for comparison in subsequent valuations of other items. Like museums, which are known to be the depositories of value, auctions also have a significant knowledge database, but unlike museums, they pursue multiple valuation principles, whereas the former are concentrated more on the historical and cultural value of objects.

However, the main finding of this analysis is that the historical character of the objects increases knowledge uncertainty; this therefore does not allow for exact calculations or introducing precise procedures for determining value. Even though there are some criteria by which objects of art are valued and priced, in a situation involving an individual sale it is not possible to rely on them. Buying art is part of identity building for clients, and in the majority of cases they look for something exclusive; sellers therefore need some other price justifications apart from standardized criteria.

## **9.2. Questioning the Russian Antiques Market**

To answer the main research question, I approached the problem of quality uncertainty

and ambiguity in the Russian context. The market context, the role of institutions, and networks of practitioners and experts, as well as the tools of the trade were discussed in the empirical chapters. The research supported my main argument: in practice, actors do not try to reduce uncertainty; instead they exploit it, and even create more. High uncertainty and ambiguity in the market create opportunities for higher profits. This became possible as a result of a historical development of the market, and in particular, the development of historical and sentimental values of antiques. Amazing discoveries about the origins of objects increase their desirability and information incompleteness at the same time, and consequently, the price rises. *Market actors use the inherent ambiguity of antiques to increase profits.*

### **9.2.1. Networks and Institutions**

The general context of institutional deficiency, and developed illegal and criminal activity in some segments of the antiques business, created not only uncertainty of product quality, but also general institutional and personal distrust among market actors. Therefore, *networks play an important role in the market, providing necessary information about objects and enforcing cooperative behavior.* These networks, as my empirical data shows, consist of dealers, experts, and clients, and are rooted in professional knowledge and skills. A closer look at these networks led me to the second finding: market actors create small networks of interdependency, where roles are assigned according to the competencies and market roles of participants.

Some of them have the skills necessary for filling several roles (as a dealer and as an expert, for instance) and switch between roles in different networks. Often these networks are specialized in certain antiques, but some of them are involved in transactions with different types of objects. The reputation of a single expert or dealer is therefore connected with, and dependent upon the reputation and performance of the others. There are four central roles in this type of network: a dealer, an expert (art expert), a restorer, and a client. These small networks are connected with each other: some are defined by rivalries (experts and dealers are often very critical and even aggressive towards their colleagues and their professional expertise), and some are respectful and friendly to each other. In the latter case they are often specialized; they might thus recommend their



clients to other experts when they are unable to appraise an object of interest. While this pattern is similar to the European and American markets, there is one specific feature: the central role experts from museums play in the valuation of antiques. This observation resulted in the discussion about the role of experts and the nature of expertise in the market.

### ***9.2.2. Uncertain Product Quality Meets the Uncertain Quality of Expertise***

By the 1990s, museum experts as a group had a virtual monopoly on knowledge in art in Russia. They were the main group of actors who were legitimized – by both the state and society – to make judgments about the authenticity of objects. They were also acknowledged to be experts in determining the historical and cultural value of the pieces. There was one order of worth, however, where museum experts did not voice their opinions: they almost never stepped into judging the financial value of antiques. Experts reported in the interviews that their primary role is to assess the authenticity and therefore determine artistic, historical or cultural value, but they never make conclusions about the price of an object. This only holds true for the situations where an expert is officially playing this role: when the same person is selling an item from their own collection privately, or after a restoration, they are involved in price setting. So, in general experts are always aware of an approximate monetary value of an object, but their job is to give an opinion. The final price is a result of negotiations between a dealer and a client who base their statements on the information and conclusions made by an expert.

Both, dealers and clients often have some experience and expertise in the market but they cannot acquire the same stock of knowledge and skills as museum experts. The latter have always been in contact with *étalon* collections of objects, while the majority of the former have worked with the objects for only a short time. Therefore, they are dependent on experts, and have to carry possible losses. This creates a unique structure for a market transaction, which is characteristic not only for Russia, but that is especially illustrative of this case. *Experts serve as intermediaries between clients and dealers: they make legitimate judgments of value, but do not carry the responsibility for the quality of these judgments.*

A dealer puts an object up for sale and specifies a price; she also has justification for this price, which is normally based on historically developed orders of worth. The role of an expert is to confirm that the object is authentic; in other words, what the dealer is claiming about the object is true, or highly probable. An expert can also add more value to it. A client, who can be a private person or another dealer, can decide if these judgments of value match his expectations about an object, and whether they seem trustworthy. The uniqueness of a situation is that if the object is proved to be a fake or less valuable, both the dealer and the client suffer from material and financial loss, whereas the expert does not carry any legal responsibility for a wrong attribution. As a result, *instead of reducing product quality uncertainty experts increase it, because the quality of their judgments is also controversial.*

### **9.2.3. Reputation and Competition in the Field of Attribution**

Reputation is the only mechanism that discourages large-scale fraud in the market. First, many museum experts talk about their professional loyalty and pride playing important roles in the process of attribution. Second, the whole market was historically embedded in networks of dealers, experts and clients that have enforcement mechanisms against opportunistic behavior. Third, with the expansion of the market, a growing number of dealers, and, what is the most important, a growing level of expertise among dealers and clients, limit the number of easy opportunities for providing fraudulent attributions. With the growing level of “literacy” in the field of antiques, fraud will need to be more specialized and demand better skills. The growing number of experts and their participation in public events and discussions can also lead to a market for expertise: dealers and clients have a better choice of experts and can also apply for alternative expertise if they are not satisfied with the results.

Possible competition among experts for clients can positively influence the situation. For this reason, the state made attempts to institutionalize private appraisals in order to ensure independent commercial expertise. The initiative faced two different responses: some dealers supported the idea, because they wanted to interact with experts on market terms. The other response was negative: many art experts assumed that free commercial expertise would lead to a deterioration in quality. They insist that experts who are not

trained in museums and who are new to the market cannot have the same level of competence as museum curators. While both arguments are valid for their proponents, this illustrates a paradoxical situation in the market: it is not possible to train enough experts in the short-term, and the inertia of old networks seems to further dominate the logic of the market. Although private appraisers are certified and advertised, clients still tend to seek the opinion of well-known museum experts.

#### **9.2.4. Exploiting Uncertainty, Promoting Ambiguity**

Under these conditions the market still survives, providing high profits to its participants. A new question arose – *how does market coordination becomes possible in the face of deficient institutions, distrust, and the high probability of fraud?* As mentioned above, the main finding of this thesis is that *actors in the Russian market do not maximize their efforts to reduce the uncertainty* caused by these factors. This does not mean that they do nothing: to make market transactions possible, they appeal to the state to protect them and clients from dangerous cases of fraud, which may even threaten lives. They establish professional associations to signal the ability to make business more transparent and attractive for new clients.

But there is another aspect to the story of quality uncertainty: the origins of its uncertainty. In many cases clients are attracted to antiques because of their historical character, mystery, and aura. Of course, in the high-end segment of expensive antiques objects there is a group of investors, who are more pragmatic in their value judgments. In spite of this, they still pay attention to the provenance of objects because the chair that belonged to the Czar will always be more expensive than just any other chair. Thus, a good provenance or any other interesting fact about an object can potentially increase its value and price significantly.

The next finding is that *discoveries therefore drive the market: to make new discoveries possible actors are interested in preventing the market from being absolutely predictable.* In other words, they make profits by exploiting uncertainty. An important point here is that this is the uncertainty of the past: it has already happened, and thus cannot be changed. However, we do not know every fact about the past, and some facts are

presented differently in different historical sources; for this reason, there is a space of ambiguity where facts can be interpreted, and misinterpreted. Consequently, the value of objects can be reinterpreted according to new discoveries or reinterpretations.

Ambiguity of value allows high returns on investment in this market: not only in the high-end segment of the market, but also on everyday antiques and flea market objects. A basic skill of a good dealer is to recognize an object that is a potential discovery. As mentioned above, facts are often doubtful; therefore dealers can also “create” a discovery. If this is accomplished, objects are transferred from one owner to another within the same market segment. If the discovery is outstanding, an object is moved from one market segment to another. Therefore, two market strategies exist: a dealer can buy and sell many objects with a low or moderate but guaranteed profit; or a dealer can wait and search for a real discovery, and then wait for someone who will buy it at a higher price.

#### ***9.2.5. Creating Discoveries, Telling Stories***

To achieve higher profits actors need market tools that combine both strategies: reducing uncertainty to a certain degree, and helping to create discoveries. One of the findings in the empirical research was that *storytelling is used as one of the mechanisms of valuation in the market*. Narrations about objects that are conventionally used and known in the market are provenance. There were two main types of stories in the interviews: stories about the market and stories about objects. Stories from the first group aid in understanding how the market operates, and how actors resolve problems of cooperation and competition. Stories about objects, belonging to the second group, are a market tool that helps to value these objects.

#### ***From Sacral to “Green”: Innovative Valuation***

Actors can use different stories about objects: sentimental family memories or concrete provenance, e.g. that of palace furniture. Sometimes they can even make them up. Stories help resolve the problem of valuation in the market. *They allow taking into account all types of value assigned to objects, and therefore stories represent all of the orders of worth that have historically evolved*. Within a story conflicting judgments of value are aligned and significance is assigned to each of them. The significance of these orders of

worth can be varied; therefore, there is one story that can account for different values. Within stories actors can recombine values so that they always have a ‘new’ unique object with a special value. Outside particular stories they can bring about new orders of worth.

The most recent development is to value antiques as green: as the authors of the idea insist, the objects produced centuries ago are “sustainable, re-usable and re-saleable ” and thus are more environment-friendly.<sup>48</sup> Environmentalist ideas are not new, and most dealers and experts in the markets probably were a part of a green movement in their everyday. But a new kind of innovative thought was necessary in order to apply the green argument to the objects that are traditionally valued for their functional, aesthetic and sentimental qualities. An interesting point is that, again, the evolution of valuation in the market for antiques follows societal development.

The richer the choice is among different types of worth, the higher the possibility of placing the object into the lifeworld of a potential client becomes, thus promoting an exchange. Therefore, dealers are interested in adding new values to antiques. To achieve this they can increase the number of objects that can be qualified as antiques and thus traded in the market. At the same time they focus on attracting the attention of customers, who are, for instance, not interested in the historical value of an object, but sensitive to the “green” argument.

### **9.3. Beyond Antiques: What Can We Learn From This Study of Other Markets?**

This research cannot claim any general conclusions about the mechanisms of market coordination, but I would like to make some propositions that can be tested in further research. There are other markets in contemporary economies that have similarities with the market for antiques: in some cases the initial context is similar, in others the nature of the goods in the market.

#### ***9.3.1. Transformative Context***

Although the debate about economic transformation in post-socialist countries is not as

---

<sup>48</sup> <http://www.antiquesaregreen.org/>

important today as a decade ago, the situation in this field is far from being clear. The disruptive nature of historical events generally influenced institutional processes in these countries: shifts from market to non-market logic and back created a unique set of rules of exchange and evaluative patterns that allow actors to be adaptive (Stark 2009) to any unpredictable changes in political, social, or economic life. In different historical periods wars and mass migrations created disruptions not only in knowledge, but also in inheritance lines. Changes in the patterns of social stratification created confusion about status structures: upward and downward mobility of large social groups lead to the redistribution of status positions, and, consequently to the revaluation and redistribution of goods and opportunities. Market actors thus have to be ready to adjust their judgments of value to changing situations; therefore, any market is potentially influenced by the transformative context. This serves to increase risk and uncertainty in the market, but it also creates opportunities. Those who develop the sense of dissonance (Stark 2009) increase their profits.

The question arises if this context is possible in other types of economies. Two propositions can be made: First, the latest financial crisis triggered a discussion about possible economic changes. It is not unlikely that some economies will experience decline, which would be accompanied by changes in social and political life. The Russian case illustrates potential problems and the strategies used by actors to cope with them. Second, rapidly developing economies such as the BRIC countries are also characterized by specific cultural contexts and historical pathways. European businesses are cooperating with local businesses in these countries, but in order to be successful they need to understand the local contexts. Therefore, I do not claim that the Russian context can be used as a representative model for other countries, but that problems and solutions found in a transformative context can be of interest for further research and explanation.

### ***9.3.2. Singularities***

There are a number of markets where goods are singular: in particular, those related to arts and creative industries or luxury. Referring back to the steps in the process of valuation elaborated in the empirical chapters, I argue that these can be found in different markets for singularities, and in other markets where notions of history, status, and

authenticity play a role.

The problem of authenticity becomes important in markets where quality is uncertain and expertise plays a crucial role: fakes, copies and reproductions are not exclusive to art markets. All types of markets where certification is required suffer from fraud and counterfeiting. As I mentioned above, product quality uncertainty is enhanced by quality uncertainty regarding expertise. Layers of experts increase the complexity of value judgments and their quality, and the importance of originality and authenticity. Authentic brands, authentic music, and authentic cuisine are symbolic and serve the purpose of persuading a consumer that something is real. Value judgments are more and more detached from real objects and placed in the cognitive space of experts and professionals. With the development of the information society the latter have become more and more influential. A question about the “good nature” of experts is more often on the agenda. They are a group of market actors who has significant power, but very low degrees of responsibility. Who becomes an expert? What are the criteria determining an expert’s value? Should an expert be a professional? These questions lead us to further research.

The second part of valuation, personalization, is characteristic to all markets for luxury, and is connected with identity building. Lifestyle becomes a central concept for market studies as well. Market segments are not distinguished based on demographic data anymore – unique combinations of preferences characterize a modern consumer. This fits well into the multiple valuation criteria proposed by actors in the antiques market: everyone can find (sometimes with the help of an expert) a reason why they want to buy a particular antique chair. The same process that stands behind innovations in organizations characterizes valuation: adaptive recombination (Stark 2009). The more orders of worth are in play, the more consumers can identify themselves with this product. This is the impact of ambiguity on contemporary markets, in particular markets for singularities, and the main advantage of storytelling as a market device. Mass markets also create more and more imaginative value (Beckert 2010), and business strategies are based on these fictions.

Further directions for research can be pointed out as follows. I argue that problems of

expertise and authenticity can be studied in a variety of markets: not only in the art markets and in the creative industries. Research can be extended to housing markets, where the quality of homes and apartments is also uncertain. Or it could be applied to educational markets, where standards of education, as well as certification procedures, can become the subject of controversy. Quality uncertainty spreads into the large segment of freelance professionals, who are dependent not only on reputation, but in many cases on licenses. The problem of experts in the antiques market raises the question of interactions between public institutions (such as museums), private dealers, private experts, and the state. This is not only true of situations of market exchange – problems of valuation are important in conflicts about museum funding, and decisions concerning restrictions on the export of cultural goods. Finally, storytelling can be studied in greater detail not only in the market for antiques: as a tool of coping with ambiguity, it can be studied in many contemporary markets that are connected with difficulties in valuation, for instance, financial markets.



## References

- Abolafia, Mitchel, 1998: *Markets as Cultures: An Ethnographic Approach*.
- Akerlof, George A./Robert J. Shiller, 2009: *Animal Spirits: How Human Psychology Drives the Economy, and Why It Matters for Global Capitalism*. Princeton: Princeton University Press.
- Andr en, Arvid, 1986: *Deeds and Misdeeds in Classical Art and Antiquities*. Partille, Sweden; Atlantic Highlands, N.J.: P.  str m; Distributed in the U.S.A. and Canada by Humanities Press.
- Andrews, John, 2006: *British Antique Furniture: Price Guide and Reasons for Values*. Woodbridge: Antique Collectors' Club.
- Anisimov, E. V., 1993: *The Reforms of Peter the Great: Progress through Coercion in Russia*, The New Russian History. Armonk, N.Y.: M.E. Sharpe.
- Appadurai, Arjun, 1986: Introduction: Commodities and the Politics of Val. In: *The social life of things*, 3-63.
- Appadurai, Arjun, 1996: *Modernity at Large: Cultural Dimensions of Globalization*. Minneapolis, Minn.: University of Minnesota Press.
- Aspers, Patrik, 2009: Knowledge and Valuation in Markets. In: *Theory and Society* 38, 111-131. <<http://dx.doi.org/10.1007/s11186-008-9078-9>>
- Assmann, Jan/John Czaplicka, 1995: Collective Memory and Cultural Identity. In: *New German Critique*, 125-133. <<http://www.jstor.org/stable/488538>>
- Attfield, Judy, 2000: *Wild Things: The Material Culture of Everyday Life*, Materializing Culture. Oxford: Berg.
- Auslander, Leora, 1998: *Taste and Power: Furnishing Modern France*: University of California Press.
- Baudrillard, Jean/James Benedict, 2005: *The System of Objects*. London; New York: Verso.
- Baumol, William J., 1986: Unnatural Value: Or Art Investment as Floating Crap Game. In: *The American Economic Review* 76, 10-14. <<http://www.jstor.org/stable/1818726>>
- Beckert, Jens, 1996: What Is Sociological About Economic Sociology? Uncertainty and the Embeddedness of Economic Action. In: *Theory and Society* 25, 803-840. <<http://dx.doi.org/10.1007/BF00159817>>
- Beckert, Jens, 2009: The Social Order of Markets. In: *Theory and Society* 38, 245-269. <<http://dx.doi.org/10.1007/s11186-008-9082-0>>
- Beckert, Jens, 2010: *The Transcending Power of Goods: Imaginative Value in the Economy*: Max-Planck-Institut f r Gesellschaftsforschung. <<http://edoc.mpg.de/475350>>.
- Beckert, Jens/J rg R ssel, 2004: Kunst Und Preise. In: *KZfSS K lner Zeitschrift f r*

- Soziologie und Sozialpsychologie* 56, 32-50. <http://dx.doi.org/10.1007/s11577-004-0002-7>
- Benjamin, Walter, 2008 [1936]: *The Work of Art in the Age of Mechanical Reproduction*. London: Penguin.
- Berger, Peter L./Thomas Luckmann, 1967: *The Social Construction of Reality: A Treatise in the Sociology of Knowledge*. Garden City, N.Y.: Doubleday.
- Bernev, S./Sergei Vladimirovich Chernov, 2007: *Blokadnye Dnevniky I Dokumenty*. Sankt-Peterburg: Evropeiskii Dom.
- Beunza, Daniel/David Stark, 2004: Tools of the Trade: The Socio-Technology of Arbitrage in a Wall Street Trading Room. In: *Industrial and Corporate Change* 13, 369-400. <<http://icc.oxfordjournals.org/content/13/2/369.abstract>>
- Bloch, Ernst, 1986: *The Principle of Hope*, Studies in Contemporary German Social Thought. Cambridge, Mass.: MIT Press.
- Bly, John, 2005: *John Bly's Antiques Masterclass: Dating and Identifying Your Period Pieces*. London: Miller's.
- Boltanski, Luc/Laurent Thévenot, 1999: The Sociology of Critical Capacity. In: *European Journal of Social Theory* 2, 359-377. <<http://est.sagepub.com/content/2/3/359.abstract>>
- Boltanski, Luc/Laurent Thévenot, 2006: *On Justification: Economies of Worth*. Princeton: Princeton University Press.
- Bourdieu, Pierre, 1984: *Distinction: A Social Critique of the Judgement of Taste*. Cambridge, Mass.: Harvard University Press.
- Bourdieu, Pierre, 1998: *Practical Reason: On the Theory of Action*. Stanford, Calif.: Stanford University Press.
- Boym, Svetlana, 1994: *Common Places: Mythologies of Everyday Life in Russia*. Cambridge, Mass.: Harvard University Press.
- Buchli, Victor, 1997: Khrushchev, Modernism, and the Fight against Petit-Bourgeois Consciousness in the Soviet Home. In: *J Design Hist* 10, 161-176. <<http://jdh.oxfordjournals.org/cgi/content/abstract/10/2/161>>
- Buchli, Victor, 1999: *An Archeology of Socialism, Materializing Culture*. Oxford; New York: Berg.
- Buelens, Nathalie/Victor Ginsburgh, 1993: Revisiting Baumol's 'Art as Floating Crap Game'. In: *European Economic Review* 37, 1351-1371. <<http://www.sciencedirect.com/science/article/B6V64-45DHYTX-20/2/3a83e489ce8fd38ce8baf5fe834bc907>>
- Burt, Ronald S., 1992: *Structural Holes: The Social Structure of Competition*. Cambridge, Mass.: Harvard University Press.
- Burt, Ronald S., 2005: *Brokerage and Closure: An Introduction to Social Capital*. Oxford; New York: Oxford University Press.

- Burton, Benjamin J./Joyce P. Jacobsen, 1999: Measuring Returns on Investments in Collectibles. In: *The Journal of Economic Perspectives* 13, 193-212. <<http://www.jstor.org/stable/2647019> >
- Skurlov, Valentin, 2001: Salon – Luchshij Sposob Rastopit Led Nedoverija In: *Antikvarnoe Obozrenije* 1, 9.
- Callon, Michel, et al., 2002: The Economy of Qualities. In: *Economy and Society* 31, 194 - 217. <<http://www.informaworld.com/10.1080/03085140220123126> >
- Callon, Michel/Fabian Muniesa, 2005: Peripheral Vision: Economic Markets as Calculative Collective Devices. In: *Organization Studies* 26, 1229-1250. <<http://oss.sagepub.com/cgi/content/abstract/26/8/1229> >
- Campbell, Rachel J., 2009: Art as a Financial Investment. In: Stephen Satchell (ed.) *Collectible Investments for the High Net Worth Investor*. Amsterdam; London: Academic Press, 119-150.
- Candela, G./A. E. Scorcu, 1997: A Price Index for Art Market Auctions. In: *Journal of Cultural Economics* 21, 175-196. <<http://dx.doi.org/10.1023/A:1007442014954>>
- Certeau, Michel de, 1984: *The Practice of Everyday Life*. Berkeley: University of California Press.
- Cescinsky, Herbert, 1969: *The Gentle Art of Faking Furniture*. London: Eyre & Spottiswoode.
- Chanel, Olivier/Louis-André Gérard-Varet/Victor Ginsburgh, 1996: The Relevance of Hedonic Price Indices. In: *Journal of Cultural Economics* 20, 1-24. <<http://dx.doi.org/10.1007/s10824-005-1024-3>>
- Chatman, Seymour Benjamin, 1978: *Story and Discourse: Narrative Structure in Fiction and Film*. Ithaca, N.Y.: Cornell University Press.
- Christian, Kathleen Wren, 2002: *The Birth of Antiquities Collections in Rome, 1450-1530*.
- Christie's, 2009: *European Noble and Private Collections. Tuesday 31 March and Wednesday 1 April 2009*, Christie's.
- Coffman, Richard B., 1991: Art Investment and Asymmetrical Information. In: *Journal of Cultural Economics* 15, 83-94. <<http://dx.doi.org/10.1007/BF00208448>>
- Colby, Benjamin N., 1982: Notes on the Transmission and Evolution of Stories. In: *Journal of Pragmatics* 6, 463-472. <<http://www.sciencedirect.com/science/article/B6VCW-469WJTD-1M/2/ddac099de85f4b81fd4bfcb39c29606c>>
- Corwin, Julie/Douglas Stanglin, 1994: The Looting of Russia. In: *U.S. News & World Report* 116, 36. <<http://search.ebscohost.com/login.aspx?direct=true&db=aph&AN=9403037527&site=ehost-live>>
- Cross, Anthony Glenn, 1997: *By the Banks of the Neva: Chapters from the Lives and Careers of the British in Eighteenth-Century Russia*. Cambridge: Cambridge

- University Press.
- Denzau, A. T./D. C. North, 1994: Shared Mental Models: Ideologies and Institutions. In: *KYKLOS -BERNE-* 47, 3.
- Dequech, David, 2000: Fundamental Uncertainty and Ambiguity. In: *Eastern Economic Journal* 26, 41-60. <<http://www.jstor.org/stable/40325967>>
- DiMaggio, Paul, 1997: Culture and Cognition. In: *Annual Review of Sociology* 23, 263-287. <<http://www.annualreviews.org/doi/abs/10.1146/annurev.soc.23.1.263>>
- Dosi, G./M. Egidi, 1991: Substantive and Procedural Uncertainty. In: *Journal of Evolutionary Economics* 1, 145-168. <<http://dx.doi.org/10.1007/BF01224917>>
- Dow, Sheila C, 2004: The Issue of Uncertainty in Economics. In: Peter Mooslechner/Helene Schuberth/Martin Schürz (eds.), *Economic Policy under Uncertainty: The Role of Truth and Accountability in Policy Advice*. Cheltenham, UK: Edward Elgar, 191-203.
- Dunham, Vera Sandomirsky, 1990: *In Stalin's Time: Middleclass Values in Soviet Fiction*. Durham: Duke University Press.
- Durkheim, Emile/Marcel Mauss, [1903] 1973: The Social Genesis of Logical Operations. In: Mary Douglas (ed.) *Rules and Meanings*. Penguin Education, 32-37.
- Elias, Norbert/Stephen Mennell/Johan Goudsblom, 1998: *Norbert Elias on Civilization, Power, and Knowledge: Selected Writings*, The Heritage of Sociology. Chicago: University of Chicago Press.
- Elliot, Gerald, 1998: Museums and Galleries: Storehouses of Value? In: Alan; Peacock/Frey Bruno S. (eds.), *Does the Past Have a Future?: The Political Economy of Heritage*. London: Institute of Economic Affairs, 117-134.
- Fase, M. M. G., 1996: Purchase of Art: Consumption and Investment. In: *De Economist* 144, 649-658. <<http://dx.doi.org/10.1007/BF01371944>>
- Feldbrugge, F. J. M., 1984: Government and Shadow Economy in the Soviet Union. In: *Soviet Studies* 36, 528-543.
- Fentress, James/Chris Wickham, 1992: *Social Memory*. Oxford, UK; Cambridge, Mass.: Blackwell.
- Findlen, Paula, 1998: Possessing the Past: The Material World of the Italian Renaissance. In: *The American Historical Review* 103, 83-114. <<http://www.jstor.org/stable/2650776>>
- Fitzpatrick, Sheila, 1974: Cultural Revolution in Russia 1928-32. In: *Journal of Contemporary History* 9, 33-52. <<http://www.jstor.org/stable/260267>>
- Fitzpatrick, Sheila, 1979: Stalin and the Making of a New Elite, 1928-1939. In: *Slavic Review* 38, 377-402. <<http://www.jstor.org/stable/2496711>>
- Fitzpatrick, Sheila, 1992: *The Cultural Front: Power and Culture in Revolutionary Russia*. Ithaca, N.Y.: Cornell Univ. Press.
- Fligstein, Neil, 2001: *The Architecture of Markets: An Economic Sociology of Twenty-*

- First-Century Capitalist Societies*. Princeton: Princeton University Press.
- Frey, Bruno S./Werner W. Pommerehne, 1989a: Art Investment: An Empirical Inquiry. In: *Southern Economic Journal* 56, 396-409. <http://www.jstor.org/stable/1059218>
- Frey, Bruno S./Werner W. Pommerehne, 1989b: *Muses and Markets: Explorations in the Economics of the Arts*. Cambridge, Mass., USA: B. Blackwell.
- Gedi, Noa/Yigal Elam, 1996: Collective Memory, What Is It? In: *History and Memory* 8, 30-50. <<http://www.jstor.org/stable/25618696>>
- Goetzmann, William N., 1993: Accounting for Taste: Art and the Financial Markets over Three Centuries. In: *American Economic Review* 83, 1370-1376.  
<<http://search.ebscohost.com/login.aspx?direct=true&db=eoh&AN=0325321&site=eohost-live>>
- Goffman, Erving, 1951: Symbols of Class Status. In: *The British Journal of Sociology* 2, 294-304. <http://www.jstor.org/stable/588083>
- Goldovsky, Grigory/Anna Kiseleva, 2005: Mnenija Otechestvennykh Expertov (G.N.Goldovsky, A.R.Kiseleva). In: *Antikvarnoe Obozrenije* 4, 12-15.
- Gourè, Leon, 1962: *The Siege of Leningrad*. Stanford, Calif.: Stanford University Press.
- Graeser, Paul, 1993: Rate of Return to Investment in American Antique Furniture. In: *Southern Economic Journal* 59, 817-821. <<http://www.jstor.org/stable/1059743>>
- Gronow, Jukka, 2003: *Caviar with Champagne: Common Luxury and the Ideals of the Good Life in Stalin's Russia*. Oxford: Berg.
- Grunert, KG, 1994: Cognition and Economic Psychology. In: H. Brandstätter/Güth W. (eds.), *Essays on Economic Psychology*. Berlin: Springer, 91-108
- Guerzoni, Guido, 1995: Reflections on Historical Series of Art Prices: Reitlinger's Data Revisited. In: *Journal of Cultural Economics* 19, 251-260.  
<<http://dx.doi.org/10.1007/BF01074053>>
- Halbwachs, Maurice, [1925] 1992: *On Collective Memory*. Chicago, Ill.; London: University of Chicago Press.
- Heilbrun, James/Charles M. Gray, 2001: *The Economics of Art and Culture*. New York: Cambridge University Press.
- Hoffmann, David L., 2003: *Stalinist Values: The Cultural Norms of Soviet Modernity, 1917-1941*. Ithaca, N.Y.; London: Cornell University Press.
- Holub, H. W./M. Hutter/G. Tappeiner, 1993: Light and Shadow in Art Price Computation. In: *Journal of Cultural Economics* 17, 49-69.  
<<http://dx.doi.org/10.1007/BF00820767>>
- Horvitz, Jeffrey E., 2009: An Overview of the Art Market. In: Stephen Satchell (ed.) *Collectible Investments for the High Net Worth Investor*. Amsterdam; London: Academic Press, 87-118.
- Huyssen, Andreas, 1995: *Twilight Memories: Marking Time in a Culture of Amnesia*. New York: Routledge.

- Karpik, Lucien, 2010: *Valuing the Unique: the Economics of Singularities*, L'Économie Des Singularités <Engl.>. Princeton [u.a.]: Princeton Univ. Press.
- Keen, Geraldine, 1971: *The Sale of Works of Art: A Study Based on the Times-Sotheby Index*. London: Nelson.
- Kettering, Karen, 1997: 'Ever More Cosy and Comfortable': Stalinism and the Soviet Domestic Interior, 1928-1938. In: *Journal of Design History* 10, 119-135.  
<<http://www.jstor.org/stable/1316128>>
- Keynes, John Maynard, 1967: *The General Theory of Employment, Interest, and Money*. London: Macmillan.
- Kirillov, Vladimir, 2006: Na Strazhe Zakona. Interview S Nachalnikom Otdela Po Bor'be S Khischenijem Kulturnykh Cennostej Upravlenija Ugolovnogo Rozyska Guvd Spb I Leningradskoj Oblasti (Gurading the Law). In: *Antikvarnoe Obozrenije*, 16-19.
- Knight, Frank H., [1921] 2002: *Risk, Uncertainty and Profit*. Washington, DC: Beard Books.
- Knorr-Cetina, Karin D., 1981: *Manufacture of Knowledge. An Essay on the Constructivist and Contextual Nature of Science*. Oxford.
- Kopytoff, Igor, 1986: The Cultural Biography of Things. Commoditization as Process. In: Arjun Appadurai (ed.) *The Social Life of Things*. Cambridge, S. 64-94.
- Lowenthal, David, 1992: Authenticity? The Dogma of Self-Delusion. In: Mark Jones (ed.) *Why Fakes Matter: Essays on Problems of Authenticity*. London: British museum press, 184-192.
- MacCracken, Grant, 1990: *Culture and Consumption: New Approaches to the Symbolic Character of Consumer Goods and Activities*. Bloomington: Indiana University.
- MacIntyre, Alasdair C., 2006: *The Tasks of Philosophy: Selected Essays*. Cambridge, UK; New York: Cambridge University Press.
- Maskell, Alfred/Museum South Kensington, 1884: *Russian Art and Art Objects in Russia. A Handbook to the Reproductions of Goldsmiths' Work and Other Art Treasures from That Country in the South Kensington Museum*. [London: Pub. for the Committee of Council on education, by Chapman & Hall.
- Miles, Margaret Melanie, 2008: *Art as Plunder the Ancient Origins of Debate About Cultural Property*. New York: Cambridge University Press.
- Muthesius, Stefan, 1988: Why Do We Buy Old Furniture? Aspects of the Authentic Antique in Britain 1870-1910. In: *Art History* 11, 103.  
<<http://search.ebscohost.com/login.aspx?direct=true&db=aph&AN=7358002&site=ehost-live>>
- Nazarevskaia, Nadezhda, 2006: *Antikvarnyi Rynok V Rossii XVIII-XX Vekov*. Moskva: Liubimaia kniga.
- Nazarevskaia, Nadezhda, 2007: Antikvariat V Ozhidanii Pokupatelja. XXIII Rossijsky Antikarny Salon V Tsdkh. In: *Antikvarnoe Obozrenije* 4, 12-15.

- Nora, Pierre, 1989: *Between Memory and History: Les Lieux De Memoire*. In: *Representations*, 7-24. <<http://www.jstor.org/stable/2928520>>
- Olick, Jeffrey K./Daniel Levy, 1997: *Collective Memory and Cultural Constraint: Holocaust Myth and Rationality in German Politics*. In: *American Sociological Review* 62, 921-936. <<http://www.jstor.org/stable/2657347>>
- Olick, Jeffrey K./Joyce Robbins, 1998: *Social Memory Studies: From "Collective Memory" To the Historical Sociology of Mnemonic Practices*. In: *Annual Review of Sociology* 24, 105. <<http://search.ebscohost.com/login.aspx?direct=true&db=aph&AN=1056936&site=ehost-live>>
- Osokina, E.A., 2003: *Antikvariat (Ob Eksporte Khudozhestvennykh Tsennostej V Gody Pervoy Pjatiletki) Ekonomicheskaja Istorija. Ezhegodnik. 2002*. Moscow: ROSSPEN, 233-268.
- Payne, Christopher/Sotheby's, 1989: *Sotheby's Concise Encyclopedia of Furniture*. New York: Harper & Row.
- Pesando, James E., 1993: *Art as an Investment: The Market for Modern Prints*. In: *The American Economic Review* 83, 1075-1089. <<http://www.jstor.org/stable/2117549>>
- Podolny, Joel M., 1993: *A Status-Based Model of Market Competition*. In: *The American Journal of Sociology* 98, 829-872. <<http://www.jstor.org/stable/2781237>>
- Polanyi, Michael, [1958] 1983: *Personal Knowledge: Towards a Post-Critical Philosophy*. London, Melbourne and Henley: Routledge and Kegan Paul.
- Portes, Alejandro, 1998: *Social Capital: Its Origins and Applications in Modern Sociology*. In: *Annual Review of Sociology* 24, 1-24. <<http://www.annualreviews.org/doi/abs/10.1146/annurev.soc.24.1.1>>
- Reitlinger, Gerald, [1961] 1964: *The Economics of Taste*. New York: Holt, Rinehart and Winston.
- Robertson, Iain, 2006: *Understanding International Art Markets and Managing*. London [u.a.]: Routledge.
- Rose, Richard, 2000: *Getting Things Done in an Antimodern Society: Social Capital Networks in Russia*. In: Partha Dasgupta/Ismail Serageldin (eds.), *Social Capital: A Multifaceted Perspective*. Washington, D.C.: World Bank, 147-171.
- Rosenstein, Leon, 2009: *Antiques: The History of an Idea* Ithaca & London: Cornell University Press.
- Sarkisants, A., 2010: *Art-Rynok I Ego Investitsionnyi' Potentsial*. In: *Voprosy e'konomiki*, 65-78. <<http://dlib.eastview.com/browse/doc/22171651>>
- Satchell, S., 2009: *Collectible Investments for the High Net Worth Investor*. Amsterdam; Boston: Elsevier/Academic Press.
- Schmidt, Albert J., 1995: *Westernization as Consumption: Estate Building in the Moscow Region During the Eighteenth Century*. In: *Proceedings of the American*

- Philosophical Society* 139, 380-419. <<http://www.jstor.org/stable/987237>>
- Schütz, Alfred, 1970: *The Phenomenology of the Social World: Transl. By George Walsh and Frederick Lehnert. With an Introduction.* Evanston: Northwestern Univ. Pr.
- Shanty, Frank/Patit Paban Mishra, 2008: *Organized Crime: From Trafficking to Terrorism.* Santa Barbara, Calif.: ABC-CLIO.
- Shlapentokh, Vladimir, 2005: The Short Time Horizon in the Russian Mind. In: *Communist and Post-Communist Studies* 38, 1-24.  
<http://www.sciencedirect.com/science/article/B6VGF-4FJGW41-2/2/fe632fbcc984e1e5d531ee696c442ba4>
- Shpakovskaya, Larisa 2004: Starye Veschi. Tsennost: Mezhdru Gosudarstvom I Obschestvom. *Neprikosnovennyj Zapas* 1(33), 87-94 (electronic version, in Russian) <http://magazines.russ.ru/nz/2004/1/shpak14.html>
- Siegel, Dina, 2008: Conversations with Russian Mafiosi. In: *Trends in Organized Crime* 11, 21-29. <<http://dx.doi.org/10.1007/s12117-007-9017-6>>
- Siegel, Dina/H. G. van de Bunt/Dami-n Zaitch, 2003: *Global Organized Crime: Trends and Developments*, Studies of Organized Crime, V. 3. Dordrecht; Boston: Kluwer Academic Publishers.
- Singer, Leslie, 1978: Microeconomics of the Art Market. In: *Journal of Cultural Economics* 2, 21-40. <<http://dx.doi.org/10.1007/BF02479730>>
- Singer, Leslie P./Gary a Lynch, 1997: Are Multiple Art Markets Rational? In: *Journal of Cultural Economics* 21, 197-218. <<http://dx.doi.org/10.1023/A:1007447326729>>
- Sinyavsky, Andrei, 1990: *Soviet Civilization: A Cultural History.* New York: Arcade Publishing.
- Smith, Charles W., 1990: *Auctions the Social Construction of Value.* Berkeley; Los Angeles: University of California Press.
- Solzhenitsyn, Alexandr, [1974] 1991: Obrazovanschina. In: *Novy Mir* 5, 28-46.
- Stark, David, 1997: Recombinant Property in East-European Capitalism. In: Gernot Grabher/David Stark (eds.), *Restructuring Networks in Post-Socialism: Legacies, Linkages, and Localities.* Oxford [u.a.: Oxford Univ. Press, 35-69.
- Stark, David, 2009: *The Sense of Dissonance: Accounts of Worth in Economic Life.* Princeton: Princeton University Press.
- Stein, Nancy L., 1982: The Definition of a Story. In: *Journal of Pragmatics* 6, 487-507. <<http://www.sciencedirect.com/science/article/B6VCW-469WJTD-1P/2/4c34f1ad6d12f58ecafd3e479858d23d>>
- Stenhouse, William, Summer 2005: Visitors, Display, and Reception in the Antiquity Collections of Late-Renaissance Rome. In: *Renaissance Quarterly* 58, 397-434.
- Sturken, Marita, 1997: *Tangled Memories the Vietnam War, the Aids Epidemic, and the Politics of Remembering.* University of California Press.  
 <<http://www.netlibrary.com/summary.asp?ID=6834>>



- Terdiman, Richard, 1993: *Present Past Modernity and the Memory Crisis*. Ithaca: Cornell University Press.
- Thèvenot, Laurent, 2007: The Plurality of Cognitive Formats and Engagements: Moving between the Familiar and the Public. In: *European Journal of Social Theory* 10, 409-423. <<http://est.sagepub.com/cgi/content/abstract/10/3/409> >
- Thompson, Michael, 1979: *Rubbish Theory. The Creation and Destruction of Value*: Oxford University Press.
- Timasheff, Nicholas S., 1946: *The Great Retreat; the Growth and Decline of Communism in Russia*. New York: E.P. Dutton & Co.
- Tolmatskii, V. A., 2003a: Iz Kladovykh Gosfondov: O Leningradskikh Rasprodazhakh 1920 Godov. In: *Antikvarnoe Obozrenije* 3, 56-64.
- Tolmatskii, V. A., 2003b: "Apollon", "Katnas", "Merkury"... O Petrogradskikh Auktsionakh 1920-Kh. In: *Antikvarnoe Obozrenije* 1, 40-46.
- Tolmatskii, V. A./Valentin V. Skurlov/A. N. Ivanov, 2008: *Antikvarno-Khudozhestvennyi Rynok Peterburga*. Sankt-Peterburg: Liki Rossii.
- Trigger, Bruce G., 2006: *A History of Archaeological Thought*. Cambridge [England]; New York: Cambridge University Press.
- Varga-Harris, Christine 2008: Homemaking and the Aesthetic and Moral Perimeters of the Soviet Home During the Khrushchev Era. In: *Journal of Social History* 41, 561-589. <<http://muse.jhu.edu/> >
- Veblen, Thorstein, [1899] 1965: *The Theory of the Leisure Class: With the Addition of a Review by William Dean Howells*. New York: Kelley.
- Velthuis, Olav, 2005: *Talking Prices: Symbolic Meanings of Prices on the Market for Contemporary Art*. Princeton: Princeton University Press.
- Volkov, Vadim, 2000: The Concept of Kul'turnost': Notes on the Stalinist Civilizing Process. In: Sheila Fitzpatrick (ed.) *Stalinism: New Directions*. London; New York: Routledge, 210-230.
- Wainwright, Clive, 1992: The Importance of Provenance: Rehabilitated Fakes. In: Mark Jones (ed.) *Why Fakes Matter: Essays on Problems of Authenticity*. London: British museum press, 174-183.
- Whittaker, John C./Douglas Caulkins/Kathryn A. Kamp, 1998: Evaluating Consistency in Typology and Classification. In: *Journal of Archaeological Method and Theory* 5, 129-164. <<http://www.jstor.org/stable/20177382>>
- Zerubavel, Eviatar, 1999: *Social Mindscapes: An Invitation to Cognitive Sociology*. Cambridge: Harvard University Press.

## Appendix 1. List of Informants

	<b>Informant</b>	<b>City<sup>49</sup></b>	<b>Type of Data</b>	<b>Date of Interview</b>
I-1	Journalist	SPb	Dictation, recorded	2008
I-2	Restorer, producer of copies	SPb	Personal, written down	2008
I-3	Antiques collector	SPb	Telephone, written down	2008
I-4	Archeologist, researcher	SPb	Personal, written down	2008
I-5	Certified art-expert	SPb	Personal, recorded	2008
I-6	Antique dealer, art expert	Msc	Personal, recorded	2008
I-7	Researcher, market consultant	Msc	Personal, recorded	2008
I-8	Antiques dealer	SPb	Personal, written down	2008
I-9	Vintage shop owner, collector of antique furniture	SPb	Personal, written down	2008
I-10	Art expert, formerly museum curator, and consultant	SPb	Personal, recorded	2008
I-11	Art expert, research consultant for an international auction house	SPb	Personal, written down	2008
I-12	Art expert, restorer, designer, and consultant	SPb	Personal, recorded	2008
I-13	Art historian, museum curator	SPb	Personal, recorded	2008
I-14	Consultant in an antiques shop	SPb	Personal, recorded	2008
I-15	Restorer of antique furniture, certified expert in the appraisal of decorative arts (furniture)	SPb	Personal, recorded	2008
I-16	Antiques collector, businessman	SPb	Personal, Written	2009

<sup>49</sup> Abbreviations: Spb – Saint Petersburg; Msc - Moscow

			down	
I-17	Antiques owner, businessman	SPb	Personal, Written down	2009
I-18	Former market actor	SPb	Personal, Written down	2009
I-19	Manager of an antiques shop	SPb	Personal, written down	2009
I-20	Freelance antiques dealer	SPb	Personal, written down	2009
I-21	Art historian, former museum curator	SPb	Personal, written down	2009
I-22	Former antiques dealer	SPb	Personal, Written down	2009
I-23	Art historian, former employee at an auction house	SPb	Personal, written down	2009
I-24	Businessman, former market actor	SPb	Personal, written down	2009
I-25	Antique furniture expert (employee at a high-end antiques gallery)	SPb	Personal, written down	2009

## Appendix 2. Main Questions and Topics for Interviews with Experts<sup>50</sup>

1. What are “antiques?” How can you define the “antiqueness” of an object? Where is the line of differentiation between an “old thing” and an “antique?”
  - a. In your opinion, what is the difference (except the price) between an ordinary old thing and an antique? At what age does an item become an antique? Are there any legal definitions for antiques?
  - b. People often discuss the “value” of antiques. What defines this value? (If an informant hesitates before answering, ask about age, type of material, author) Are these criteria applicable to all antiques, or are different types judged by different criteria?
2. When did the antiques trade emerge in Russia? (Before the Revolution of 1917, Soviet Union, Perestroika, Present Day). Is there anything specific about the history of the Russian antiques market?
  - a. If we take a look at the history of the antiques business, can we distinguish any specific periods? When did an active antiques trade start in Russia? What happened to the antiques trade in the Soviet Union? Who bought antiques in the Soviet Union?
  - b. Who defines the forms of trade used today? What forms of trade are the most popular (shops, auctions etc.)? Are there any changes in the market, if yes, what are the changes? Is the number of shops (other forms of trade) growing today? What are people buying and selling? Who are the experts in the market?
3. What is the situation with governance of the market? Are there any regulations that the antiques trade should align with? What are the main problems in the market? Is there a difference in the antiques trade here and in Western Europe or the US? Are there any differences across Russia (Moscow – Saint Petersburg – other cities)?
4. Which types of consumers exist in the market? What characterizes these groups? Does a “typical” antiques buyer exist? Why do they buy antiques? Do “fashionable” antiques exist, and if yes, what determines what is fashionable?
5. Supply in this market is specific and known for problems of authenticity. Are there any ways to solve these problems?

---

<sup>50</sup> (Author’s own translation, the original interview guide and interviews were written and conducted in Russian)

### **Appendix 3. Main Questions and Topics for Interviews with Ordinary Buyers**

1. What are “antiques?” How can you define the “antiqueness” of an object? Where is the line of differentiation between an “old thing” and an “antique?”
  - a. In your opinion, what is the difference (except the price) between an ordinary old thing and an antique? At what age does an item become an antique? Are there any legal definitions for antiques?
  - b. People often discuss the “value” of antiques. What defines this value? (If an informant hesitates before answering, ask about age, type of material, author) Are these criteria applicable to all antiques, or are different types judged by different criteria?
2. When did the antiques trade emerge in Russia? (Before the Revolution of 1917, Soviet Union, Perestroika, Present Day). Is there anything specific about the history of the Russian antiques market?
  - a. If we take a look at the history of the antiques business, can we distinguish any specific periods? When did an active antiques trade start in Russia? What happened to the antiques trade in the Soviet Union? Who bought antiques in the Soviet Union?
  - b. Has your family possessed any antiques since Soviet times? Please, tell me about this.
3. When did you buy your first antique? Why did you buy it? Tell me about it, please. How did you choose this particular antique? Did you ask someone to help you? Do you purchase it at a shop, at a flea market, or at an auction?
4. Do you have more antiques now?
5. Do your friends or colleagues buy them, too? Do you discuss this?
6. Certain newspapers have published articles about the problem with fakes being sold on the market. What do you think about this problem?

The International Max Planck Research School on the Social and Political Constitution of the Economy (IMPRS-SPCE) is a joint international PhD Program of the Max Planck Institute for the Study of Societies (MPIfG) and the Faculty of Management, Economics and Social Sciences of the University of Cologne. Its research explores the relationship between the modern economy and its social and political foundations. Building on a long tradition in sociology and political science, the school aims to combine and develop the approaches of new economic sociology, comparative political economy, organization studies, and history. The Studies on the Social and Political Constitution of the Economy are a doctoral thesis series featuring dissertations by PhD students who have successfully completed the graduate training program of the IMPRS-SPCE.

