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# Bulletin

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The Bridge between British and Russian Business

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mending the modernisation flaws**

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# James Butterwick: “Miracles Don’t Happen”

The last couple of years have taught the world the value of financial bubbles; however, as many argue, few have learned the lesson, and the old schemes and techniques re-emerged once things started to look up on the economic landscape. The art world may seem to be blowing its own bubbles by hitting top-dollar prices, but a piece of art won't lose points at the stock exchange and “a picture is worth what someone will pay for it – no more, no less”, according to **James Butterwick**, art dealer and collector, one of the best experts in Russian art. And there are no discounts to this price.

ALEXANDRA KULIKOVA, RBCC BULLETIN EDITOR



James Butterwick deals, collects and certainly admires Russian art

## Are you more of a dealer or a collector?

I'm one of those lucky people who have their hobby as their job! Primarily I'm a dealer, because in order to collect you have to deal. As a collector I have had two significant collections, mainly works on paper which date back to about 1880-1920. This is clearly the most interesting period in Russian art and the predominant focus of my work. Whilst I do have pictures beyond this period, for example around 1935, I don't usually have anything post-war.

## Do you mean you steer clear of socialist realism?

Exactly. Nonetheless, in our family collection there is a Deineka, a study of the Mayakovskaya Metro station, which is socialist-realist, but I don't really like this style. I think it's too much of a propaganda tool to be called 'art'. There were very talented socialist-realist artists, Deineka being the best, also Pimenov, but I try not to buy anything with Soviet symbols in it.

The real reason for my choice of period is that I find this the most interesting time for Russian art. If you take Russian art as a whole, the years 1905 to 1930 saw 25 years of magnificent art. Equally, you can't ignore what came before, for example, two truly great Russian artists – Serov, and especially Vrubel.

## Is he your favourite artist?

Absolutely. I used to have a self-portrait of Vrubel in my collection in Moscow. It was a very challenging picture because

the image itself was clearly of a man who was ill. After a lot of research I discovered that Vrubel drew it in Kiev around 1882-1883, when he was in the middle of one of his numerous nervous breakdowns. The picture was very, very difficult to live with and we sold it on. Now we own two pictures by Vrubel – a study for 'Margarita', one of the panels in Morozov's Palace in Moscow, and a portrait of Vova Mamontov.

## How did you get involved in Russian art?

I did a joint degree at Bristol University – Russian Studies and History of Art. The only family link was my grandfather who was the silver expert at Sotheby's whilst my godfather was their President in New York. My love for Russian Art came in the 1980s when, like other students, I was sent to the Soviet Union. I had a three-month study visit to Minsk. Since I was interested in art anyway, I went to the local museum, looked at the pictures and thought, “nobody knows about this!”

## Which is your favourite museum or gallery in Russia?

The Pushkin Museum, which has an unbelievably good collection of Impressionist and Post-Impressionist works and, obviously, the Hermitage, for its Old Masters. In fact, the older I get the more interested I get in Old Masters, and only now am I beginning to understand them better. Of course, the Old Masters in the Hermitage are incomparable: it has most of the best Rembrandts.

Oddly enough, one of my favourite museums is the Kasteev museum in Almaty. It's one of those lovely stories, where a clearly very clever museum director put together a superb collection after the war when pictures were being re-distributed by the State. Thus the museum in Almaty got top quality works by Lentulov, Mashkov, Konchalovsky, Falk, Petrov-Vodkin, Borisov-Musatov, and Grigoriev, forming a small but very selective collection. I love this museum. It has a beautiful Volkov, an avant-gardist born in Uzbekistan – we've also got two in our collection.

## You had an internship at Sotheby's. Why didn't you stay there longer?

I won a scholarship with Sotheby's in 1985 but did not last for a long time because I wasn't really cut out for working there: I always wanted to do my own thing. I left Sotheby's and went to Russia. I bought a Bakst in 1987 and a year later two Repins. In

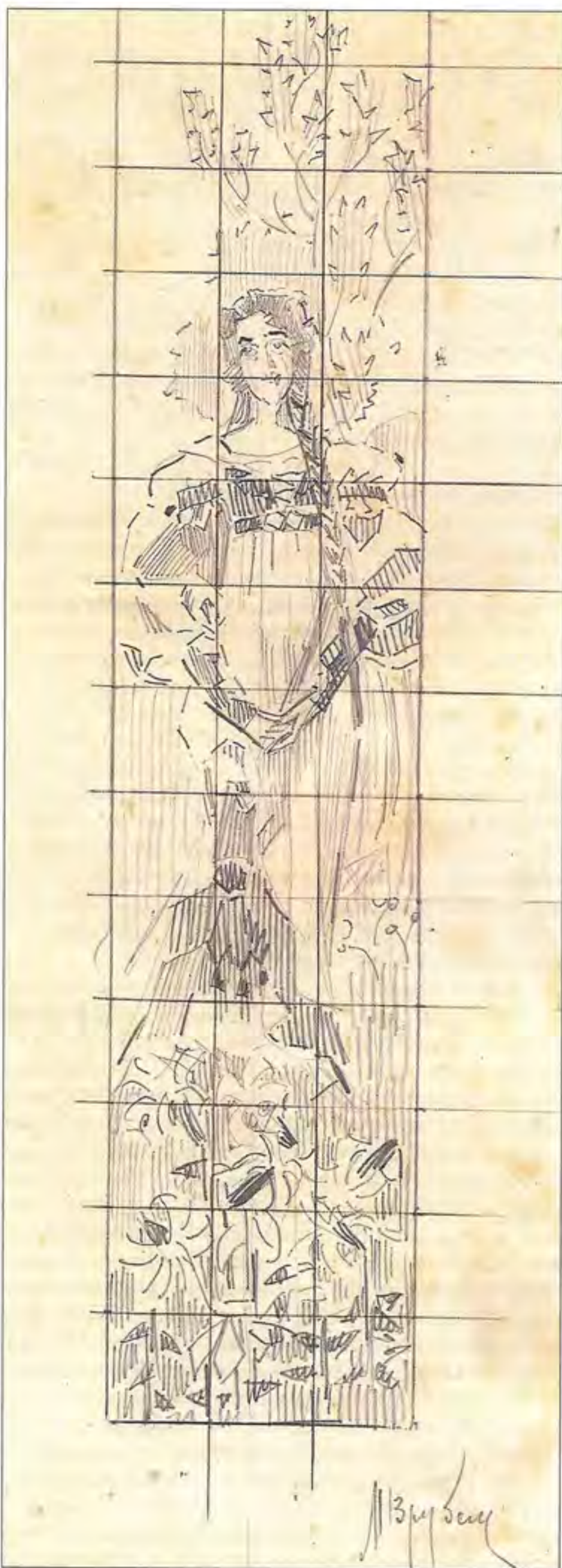


Photo provided by James Butterwick

Michail Vrubel (1856-1910), Margarita' (1896), study for the decorative panel in the palace of Alexei Morozov'

1988 I began to work with the dealer Roy Miles, came with him to Russia and bought up Socialist-Realist art. I realised then that was the best time for dealing in Russia: there was so much art, it was cheap and no one knew about it.

**Was it just the effect of a delayed entry to the market that created such success for Russian art?**

Yes, in part. The Soviet State, which pretty much froze all art creation from 1932 to 1991, was the only buyer aside from the rarified atmosphere among private collectors, but I believe that collecting is in the Russian blood and perestroika merely opened the floodgates.

**There is an opinion that the rise in demand for Russian art was partially due to the boom on the real estate market: rich Russians wanted to decorate their smart houses.**

It could be partly due to that but I think there is also something more subtle in that. As I mentioned, Russians have collected art throughout history, and what's more, they have often "hoovered" it up. Catherine the Great acted through Voltaire among others, and she bought great pictures. After that there were the famous collectors: Shchukin, Morozov, Tretiakov, Ryabushkin, Princess Tenisheva etc. We know how the former two went to Europe and bought fantastic collections. Whilst they did this for themselves, they allowed artists to come and look at their collections, an important factor in the Russian avant garde. As is well known, Tretiakov donated his collection to the state, whilst Shchukin and Morozov's collections were expropriated by the Bolsheviks. Shchukin was even made the curator of his own collection, which must have been degrading.

**Do you think interest in Russian art will soon get exhausted?**

No, I don't. I think what's happening is a natural process. For example, there are artists - who in my opinion are not very good artists - whose work made ludicrous sums at auction in the past. Now buyers are starting to understand that these artists are not worth the money paid. As a result, interest is declining. The work of the great Russian avant-gardists (with exceptional provenance), for example, or top artists such as Boris Grigoriev or Petrov Vodkin are going up in price. But there are still a number of fakes. I have been asked to value collections of Russian avant garde of which buyers are very proud and which cost them millions, and yet every picture is a fake - every single picture.

**In Europe you have auction houses which check the authenticity of art. Who does that here?**

With the avant garde you still have family members: for example, the Rodchenko family or Volkov. There is also Lena Zhukova, who is phenomenal for works on paper: if you've got a picture and it's got a document from Lena Zhukova - that's a mark of quality, she is one of the true experts. As for me, I travel to Russia a minimum of once per month and I'm often asked to authenticate pictures while I'm here.

**How has the recent economic downturn treated the art world?**

At a private level it's difficult to say because no one really gives out very much information. I belong to an organisation called the ICAAD (International Conference of Artists and Art Dealers of Russia). We have quarterly conferences, and although my

colleagues don't say very much, it's quite clear that they have had a difficult year. Things started to go wrong around July 2008, but recent auctions in London and New York have been very successful.

Russian art, which went down 30%, is now up again. The thing with art dealing, and especially in Russian art, is that people are beginning to understand what quality is: Russians pick up things much quicker than anybody else. I believe this downturn has had a general cleansing effect on the market. People indeed started to buy less but the 2008 auction results were not disastrous - some 60 % sold.

**Do you think the best things are still kept in some small home collections and are yet to surface?**

Yes. I know a couple of collectors who are very reluctant to show and sell. When they do sell they ask my help, but don't want to unless absolutely necessary.

You still get what we call 'sleepers'; I have found paintings in Tomsk or even, a few years ago, I was in a dingy flat in Domodedovo, and the owner showed me a canvas she got from her grandfather, which was an authentic, top quality Kustodiev. She needed money and asked me to sell it for her. When I told her the approximate price of the picture she almost collapsed.

**Who are your clients now? How do they buy art?**

Firstly, it's important to explain to clients that it is great fun to buy art and you can make money on it. I put collections together in the 1990s - since then the prices have gone absolutely mad - 2000-2500% profit is quite normal for a really good piece of art. There are very clever and subtle collectors, like Peter Aven, who knows his trade like nobody. He's got a fantastic collection, partly because he employed the best agents to work for him - Mikhail Kamensky, Maxim Bokser, Yuri Smirnov - all of them knowledgeable and with very good contacts in the world of art. Now these trustworthy people are important figures in the art world in Russia.

**The art world still remembers Alisher Usmanov, who bought up Rostropovich's art collection, and Victor Vekselberg, who bought up the Faberge Eggs collection. What is this in your view - patriotism or social responsibility?**

Boris Grigoriev (1866-1939), 'A Street in Paris' (1913)



Photo provided by James Butterwick

I really admire them for doing this. Usmanov upset a lot of people when he agreed to buy the whole Rostropovich collection 24 hours before the auction. A lot of dealers had paid money to come to London and buy something, including myself! There is an element of social responsibility here and I really like it when people buy art and they show it to people. Nothing gives me more pleasure than giving pictures from our collection to museums for exhibitions.

The applied and decorative art in the Rostropovich's collection was wonderful, while pictures were weak. Still, it's a very Russian thing to do - to go and Hoover up everything in one go. But this is not how art works: it's a much more delicate thing. I've seen collections here where many of the pictures are pretty much worthless. There is probably a good one in every hundred but the owner just came along and bought everything instead of consulting a professional.

**Are people just "saving" on dealer's services?**

The mistake that a lot of people make is that they assume "dealer" is a bad word, synonymous with "crook". But actually if you get the right dealer you can make a lot of money, because a good dealer gives good advice. If people are well-off, it's not a question of price - they have to understand that miracles don't happen. 'If you pay peanuts, you get monkeys', should be a slogan, but I'm afraid that it's a problem in Russia. Everybody thinks they are cleverer than everybody else and buyers can pay dearly for this assumption.

For example, in our family collection we have a marvellous Boris Grigoriev called "Dachnitsa" from the Chaliapin collection, and there's a set price for it. Some so-called rich Russians have offered to buy this picture off me and all of them hoped for a miracle - that I will sell that picture for half its price. A picture is worth what someone will pay for it - no more, no less.

**What is the professional art market like in Russia?**

I've lived in Russia for about five years and it has been an incredible privilege to work here because it's so interesting! I'd go out of my mind if I were an art dealer in the West - it's nothing compared to the Russian market. The competition is very strong in the West but here there are dealers who are as good as their Western counterparts, even though the Art Market is pretty young. And I have an enormous admiration for them: Natasha Kurnikova, Marina Loshak, Aidan Salakhova - all these people are extremely good dealers and very clever people. There are some great collections here and I know quite a few collectors who are lovely people. I have lots of friends here - artists, art dealers, art collectors. There aren't many people in the West you can discuss Russian art with. There are hundreds of them here.

Russians have always had an extraordinary affinity with art. The Soviet Union's greatest achievement, in my opinion, was the high standard of education. Educational standards are dropping all over the world but, until the mid-90s, Russian education was incredibly strong; and they are the most educated people I've ever met in my life. As a result of this strong education, many people know a lot about art. I used to win money from foreigners - you can stop anybody in the street and ask them to name five Russian artists, knowing they would be able to do just that. As a nation Russia is a good example to the British of what we should do with education.

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