

# IN THE FRAME

With added costs and layers of bureaucracy, Brexit has hampered the London art market and delivered few tangible benefits. Are things really as gloomy as they seem?

WORDS WILL MOFFITT



“Every time we try to export anything into Europe, it’s a nightmare,” says Bernard Shapero, founder of Shapero Rare Books at 106 New Bond Street. “Before I could just send anything anywhere in Europe at the drop of a hat.”

An ardent Remainer who is one of London’s most successful rare-book dealers, Shapero’s frustrations are shared by many of London’s dealers and gallerists who have been adversely affected by Britain’s decision to leave the European Union.

Set at five per cent, the UK’s import VAT rate for works of art, antiques and collectors’ items was the lowest in the EU, making it an obvious point of entry for art and antiquities coming into the customs union. That rate, although still unchanged, now comes with a hefty serving of paperwork and unpredictable costs. The broad consensus is that this has made Britain – and by default, London – a less appetising place to do business.

“Overseas art collectors now perceive the UK as a more difficult place to transact,” says Paul Hewitt, director general of the Society of London Art Dealers (SLAD). “The hard customs border requires additional declarations, time and costs to cross.



“Non-UK artists find it harder to get work visas to remain in London after art college; there are fewer young people from outside the UK working in galleries and auction houses and UK nationals able to gain experience in Europe.”

Coupled with the cancellation of three major British art fairs, Masterpiece being the most high-profile casualty, this all gives the impression that the London art market is in a dire state. But perceptions can be misleading.

Asked if there is a consensus that the UK is less attractive in the post-Brexit landscape, Hewitt’s answer is nuanced: “Broadly yes. However, I think we need to be careful not to be too pessimistic,” he says, citing a recent survey commissioned by SLAD ahead of London’s annual Art Business Conference, which found that 53 per cent of respondents were positive about the future, citing the UK’s world-leading art ecosystem as the main reason.

Published in April, the Art Basel/UBS Art Market report has the UK in second place among the world’s top three art markets. The US leads the pack, with China in third. Heritage plays a vital role too. Despite Brexit-induced complications, London’s reputation as a rich, diverse hub of arts and culture still



MAIN: ARTISTS INCLUDING THE PORTRAIT OF MAJORITY BY SIR JOSHUA REYNOLDS AT THE NATIONAL PORTRAIT GALLERY IMAGE: DAVID HARTY  
CLOCKWISE FROM FAR LEFT: BERNARD SHAPERO, LUCE GARRIGUES, CALLUM WELCH FINAL IMAGE: DOMINIQUE

burns brightly. Some even see Brexit as a catalyst for positive change.

"Brexit has accelerated the reshaping of the old master and antique art market," Luce Garrigues, director of London Art Week, tells me.

"It has enhanced the strong and long-established relationship between American collectors and curators and dealers in the UK, the cultural kinship and familiarity between them, and the trust of the American institutions in the quality and diversity of the UK dealers' expertise."

Hewitt points to the upcoming 20th anniversary of Frieze London – "now the most iconic global art fair brand" – and the reopening of the National Portrait Gallery as indicators of London's strong standing as a global art hub. "It's the envy of the world and one we should be proud of," he says.

Callum Welch, director at Elizabeth Xi Bauer gallery, which has offices in Mayfair and the City, concurs with this broadly optimistic



outlook. "The post-Brexit landscape has clearly had an impact on overseas galleries' appetite for UK art fairs," he says.

"It's true that galleries based around the world have more red tape and paperwork to exhibit and sell artworks in the UK.

"However, with so many high-quality institutions and galleries based in London, artists are unwaveringly attracted to the UK, especially when they are from areas with less developed and robust art markets."

Such hope and optimism must be tempered with a realisation that, in most quarters, Britain's decision to leave the EU has not benefited the London art market. "It's very hard to think of any Brexit dividends for the UK art market," Hewitt says.

With the added costs and layers of bureaucracy it has caused, Shapero still sees Brexit as a reckless roll of the dice.

"We bet the shop on it working out," he says. "Maybe things will even out in the next five to 10 years, but it's just one hell of a bet."