Does this mean the end for the great galleries?

Britain's top curator fears for the future of public art after a record-breaking week in the London sale rooms



Good news for auction houses, very bad for museums ... detail from Klimt's 1907 portrait of Adele Bloch-Bauer, just sold for $\pounds 73m$

Last week, Klimt's extremely beautiful and luxurious portrait of Adele Bloch-Bauer was sold (apparently and most appropriately) to Ronald Lauder, the cosmetics magnate, for his Neue Galerie in New York. He is said to have paid \$135m (approximately £73m). On Wednesday, David Hockney's The Splash sold for a record £2.9m at Sotheby's and a work by Bridget Riley sold for more than £1m. In April, a Turner watercolour of Venice sold in New York for \$35.8m (£20m). These sales will have gladdened the hearts of shareholders in the major auction houses.

But they have depressed those who hold responsibility for adding works of art to the collections of museums and galleries in this country.

As the art market booms, it becomes increasingly obvious that we have pitifully meagre resources with which to buy works of art to add to, and keep up to date, our museum collections. How on earth can we increase our collections if works of art cost so much? How can we find new sources of funding?

Museums and galleries are facing a crisis of acquisition. After 10 boom years, in which there were large numbers of major capital projects in museums and galleries throughout the country, from Tate St Ives to Baltic in Newcastle, from ArtSway in the New Forest to the Pier Arts Centre in Stromness, there is now a clear danger that we face 10 lean years in which art museums and galleries simply will not keep up with escalating prices on the international art market and will begin to look increasingly out of date.

There may be some people who believe that public art institutions should devote their energies to the interpretation and presentation of works of art which they already own, but most people must surely recognise that art institutions become worthless if they are not able to add to their holdings and if their collections fail to reflect changing patterns of taste?

This is a problem which particularly faces the big national collections. The Tate has difficulties buying major works for its contemporary, let alone its early modern, collection; the National Gallery currently faces having to raise up to £30m to save the Halifax Titian; and the National Portrait Gallery, which has recently acquired the important portrait of John Donne with the help of the Heritage Lottery Fund, would like to acquire, for example, a Bacon self-portrait. But it is also a big issue for the major regional museums, which used to have a tradition of active collecting in the 1950s and 1960s, yet now, after two decades of budget cuts, are lucky if they are not being encouraged to think of selling works of art. Bury Borough Council plans to sell a work by LS Lowry.

During the 1950s and 1960s, smaller museums and galleries, such as the Wolverhampton Art Gallery or the Ferens Art Gallery in Hull or the Towner Art Gallery in Eastbourne, maintained active programmes of acquisitions which often included works from overseas. But nowadays, one is lucky to find even an active programme of purchase of contemporary British craft, the one area which had been actively collected because it is still relatively affordable.

The situation is quite different overseas. Not so long ago, the museum in Angers in France held an exhibition of modern British sculpture based on the holdings of French regional museums. It is inconceivable that a British equivalent could hold an exhibition of modern French sculpture. If you travel around Holland, Sweden or Denmark, you find a whole host of smaller regional museums and galleries which are able not only to organise exhibitions of international significance, such as the Groninger Museum in Groningen, Holland, but can also maintain active programmes of acquisitions.

What can be done? The problem lies with the Treasury. The figures are shocking. If you look back at government funding in 1980, you find that the eight national museums received grant-in-aid for acquisitions of £10,378,000; the V&A/MLA Purchase Grant Fund which supports acquisitions for regional museums received £1,604,000. This was the year the Treasury recognised that central government funding for acquisitions was so inadequate that it established the National Heritage Memorial Fund.

But look at the figures for 2004. The national museums were able to spend only £660,000 between them. That is, £660,000 with which to buy the gamut of new and historic material.

Add the £1m spent by the V&A/MLA Purchase Grant Fund, the £965,000 spent by the National Heritage Memorial Fund and the £4,039,950 spent by the Heritage Lottery Fund and it becomes clear that central government funding for acquisitions has dropped by 44 per cent during a period in which overall public expenditure has risen from £111.8bn to £487.6bn. In other words, as we become richer and as works of art become more expensive, we are spending much less on our museum collections.

In recent years, various solutions have been suggested. In 2003, Paul Boateng, then Chief Secretary to the Treasury, commissioned a long report from Sir Nicholas Goodison on how the Treasury might help museums and galleries fund acquisitions. Nothing was done about it. More recently, the National Art Collections Fund put together a programme called 'Living and Giving', which demonstrated how the Treasury could support lifetime gifts through tax incentives. It was shelved. It was said Gordon Brown thought that this was an issue of no interest to taxpayers. But surely taxpayers understand that it is in the national interest to maintain lively and active museums?

If museums and galleries are unable to acquire works of art, we limit our intellectual and artistic horizons. We have to rely on a purely reactive strategy of acquisitions, getting works of art only when their export has been blocked. What we need is an effective national strategy whereby museums and galleries are able to acquire works of art systematically - in the middle market as well as at the top end, overseas as well as in this country, in design as well as fine art, in new areas of collecting as well as enabling us to buy the greatest and most significant works of art which have been in this country for generations.

The Observer, Saturday 24 June 2006