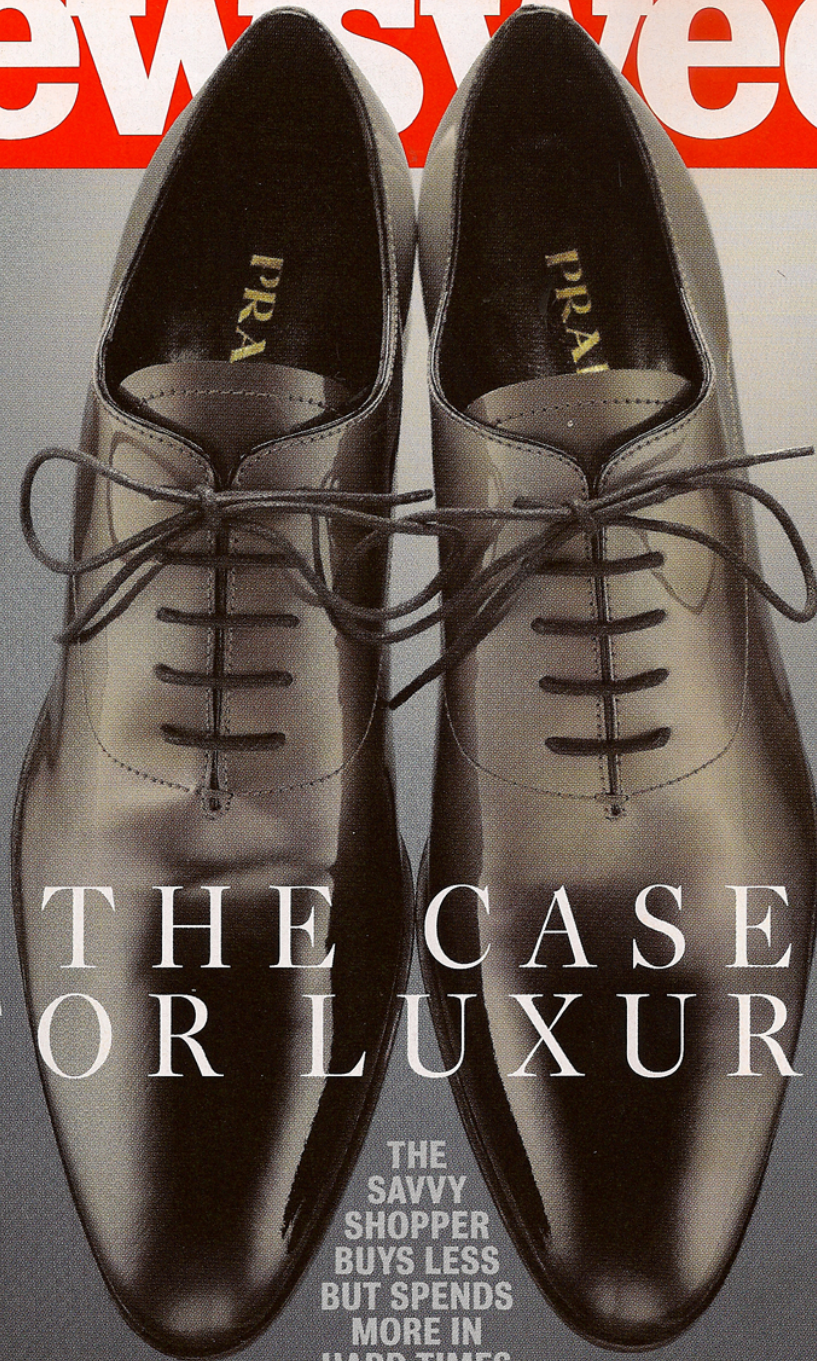


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SPECIAL DOUBLE ISSUE
Newsweek



THE CASE
FOR LUXURY

THE
SAVVY
SHOPPER
BUYS LESS
BUT SPENDS
MORE IN
HARD TIMES

BY JONATHAN TEPPERMAN

PHOTOGRAPH BY STEPHEN LEWIS—ART+COMMERCE

APRIL 6/APRIL 13, 2009

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■ BY ALEXANDRA A. SENO

EVER SO CLEVER AND TAPPED INTO THE ZEITGEIST, THE GERMAN PUBLISHING HOUSE Taschen recently sent out an e-mail blast promoting a new art book. KOONS FOR THE POOR! read the subject heading. At almost 600 pages, the book showcases the American king of kitsch art's "entire oeuvre to date, at a decidedly unKoonsian price" of \$70, the e-mail read. (On Amazon, it's \$44.10.) In 2007, the artist's "Hanging Heart (Magenta/Gold)" sold at auction for \$23.6 million, setting the record at the time for a sculpture by a living and still very productive artist. Just last summer, a buyer paid \$25.7 million for Koons's "Balloon Flower (Magenta)."

Talk about a comedown. Taschen certainly captured the mood in the contemporary-art market: why risk big bucks on a stainless-steel sculpture when the artist's entire collection can be had in miniature for \$70? Whether or not they actually are, everyone feels poorer, and that includes collectors who are realizing they can get by without a porcelain figurine of Michael Jackson and his pet chimpanzee Bubbles, or a wall-size photograph of Koons passionately entwined with his porn-star ex-wife. They'd be better off putting that money toward a block of foreclosed suburban American homes.

The contemporary-art market may be down, but it is definitely not out. In fact, these unKoonsian times, like many downturns before, allow artists and dealers to be more creative, and collectors to focus on the fundamentals—like originality and timelessness—instead of on the buzz. At Maasticht in March, London art dealer Clovis Whitfield told the influential *Art Newspaper*: "Old masters are better than buying gold nuggets if you're looking for something that will retain value." The Dutch art fair, the world's biggest, offers both contemporary and classical. In some cases, rare old masters commanded more than a year ago. Whitfield, whose gallery declared Maasticht a "success," was close to selling an early-16th-century religious painting by Florentine renaissance artist Andrea del Sarto for €8.5 million—on the reasonable side for an old master but on the record-breaking end for contemporary works.

Serious collectors are finding excellent deals on top quality art. "Like everyone else, we've been hurt by the economy, so we'll buy fewer things and be more selective, but the opportunity to buy great things is outstanding," says American hotelier Don Rubell, one of the world's biggest contemporary-art collectors. He

Signs of Life in The Art Market

Nervy collectors can find plenty of great deals on fresh, top-quality works, contemporary as well as classic.

continues to add to the extensive Rubell Family Art Collection, housed in its own museum, a 15,000-square-meter former Drug Enforcement Administration warehouse in Florida. He and his wife, Mera, started in the 1960s, purchasing works in good and bad economies. They acquired art by names like Damien Hirst and Keith Haring long before they hit the top of the market. Rubell, whose collection is international, is currently focused on young artists and the best works from those in midcareer. He thinks one of his best buys of the past six months is a piece by the 30-something California-based Thomas Houseago, known for mixed-media sculptures that reference traditional statuary.

Like most serious art aficionados, Rubell and his family spend a lot of time visiting galleries, art fairs and studios around the world. He believes that often an artist's finest pieces are from the early years, when they are unknown and therefore more willing to experiment. "The best art has new ideas, new techniques, new

manifestations," he says. "When you have a very hyped-up market, there is a tendency to produce the same kind of work."

Repetition and a perceived pandering to the market eventually brought down what was until last year the hottest category around: Chinese contemporary art. Some Chinese artists became almost instant millionaires thanks to work that was probably bigger in scale but similar in style and theme (and more often involving Mao Zedong) compared to what they and their peers have been doing for the past 15 years.

Personalities like Yue Minjun, who is in his 40s, suddenly became famous for breaking auction records. In May 2008, a bidder paid \$6.9 million at Christie's in Hong Kong for "Gweong-Gweong," establishing a new all-time high-price for Yue. In a way, his "cynical realism" works have become unintentional parodies of the general problem: his trademark pink, laughing face appears over and over on banal paintings and sculptures, many of which sold for millions. But after years when al-

IF THE SHOE FITS: *Tirona's Imelda photos garnered a lot of interest at Pulse New York*



SPECIAL REPORT: LUXURY

most everything was snapped up, it was sobering late last year to see so many contemporary Chinese pieces, including some by Yue, going unsold—half of all lots at some sessions. After so much excitement over “new” art, dozens of galleries in Beijing and Shanghai have dramatically downsized or simply not reopened after the Lunar New Year break in February.

China is an excellent example of a contemporary-art market gone wrong. It seemed to get bigger and frothier without a corresponding curatorial and critical framework for “what makes a work interesting,” says Magnus Renfrew, director of the ART HK fair and a former contemporary-art specialist at Bonhams in London. As a result, auction houses, with their marketing prowess and international reach—as opposed to academic journals, galleries and museums—became the place where careers were created. Says Renfrew: “Because the commercial value of a work became the primary way of evaluating its value, work became good because it was expensive rather than expensive because it was deemed to be good.”

It's hard to determine whether collectors were the cause or the victims of the frenzy. Ninety percent of the buyers were American or European. “Many were buying with their ears, not their eyes,” says Sundaram Tagore, a grandnephew of the Indian poet Rabindranath and a dealer with galleries in New York, Los Angeles and Hong Kong. Tagore has seen his revenue drop by 70 percent in the past year, but says good works by key artists—especially in the \$500,000 and over range—have been moving. Among them: the textured, monochrome paintings by India's Sohan Qadri inspired by meditation, and the hypnotic waterfall images created by Japan's Hiroshi Senju with crushed-seashell pigments on rice paper.

Contemporary art from the mainland may enjoy a resurgence once the global economy gets back on track. But for now, only the bravest, savviest collectors remain. They are considering purchases more carefully and shaping the market with demands for fresh quality art. This is forcing artists and dealers to produce more than their “greatest hits,” leading to more adventurous exhibitions. Rubell thinks that one of the good things that will emerge from the current slump is that “in a market that is not so active, artists tend to go back into themselves and are not afraid to work on new ideas.” Serious collectors still happily pay top dollar for top works, but are also more open to less expensive, more experimental genres like photography or cutting-edge Southeast Asian art.



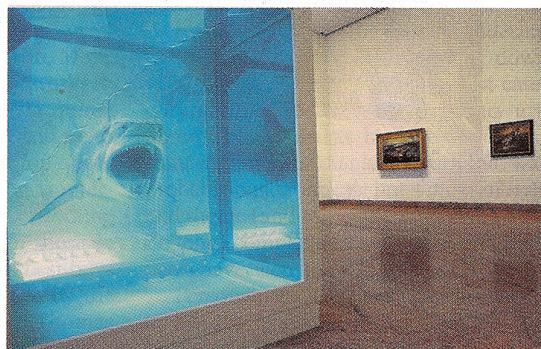
The best thing about the slow market is that artists aren't afraid to try new things.

FOR WHAT IT'S WORTH: *Old master del Sarto (above), Hirst (right), Yue (opposite)*

The less frenetic art commerce environment has also resulted in galleries staging more daring exhibits. Hong Kong dealer Katie de Tilly, who represents Julian Schnabel as well as a number of Chinese artists, decided to concentrate on showcasing Vietnamese diaspora artists and new Cambodian works. Some paintings sell for as little as \$500. “I'm probably not going to make money on these shows,” she

says. “It is not a money-making year so I thought I might as well do this because it is important.” With things slow right now, Tagore is using the time to write a book on Indian modernism and to collaborate with a German curator on a traveling show of Islamic art.

For better or worse, there are also some renewed stirrings of hype in the contemporary-art market. In June, Koons is having a





solo exhibit at London's prestigious Serpentine Gallery, which is expected to draw big crowds. The law of supply and demand being what it is, many will no doubt continue to aspire to own his art (if not his new book). At the Pulse New York art fair a few weeks ago, five large photographs of Imelda Marcos by Filipino artist Steve Tirona drew plenty of attention. The volume of inquiries on the last day prompted gallery

owner Isa Lorenzo, a physician, to diagnose herself with a panic attack near closing time. A museum bought a set of five (there are 15 limited-edition sets), European collectors wanted to talk, and passers-by stopped to gawk at the images of the former Philippine first lady gamely posing to help her grandson's costume jewelry line. In one image, she sits regally holding her pet dog Venus by a leash, in an opulent

room that has seen better days. Photo illustration exaggerates the sparkle of her bling. A picture of her with Saddam Hussein in his heyday adorns a table, a classic painting hangs askew on a silk-covered wall and the mirror in a large gilt frame is cracked. The image is a reminder that like classic art, the best contemporary works make us weigh our icons, our values and what we consider beautiful. ■

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