ART DUBAI’S 10TH ANNIVERSARY

THE ART OF HOPE
SAFWAN DAHOUL AND HIS DREAM-LIKE CANVASES
WAKING EACH MORNING to news of spiralling oil prices, stumbling stock markets and global instability, it’s a wonder that art, apparently such a superfluous luxury, can survive as a viable investment market. Yet it is a resilient thing, seasoned in morphing and mutating to ride out turbulence in the world’s economy. Though some peer through their fingers waiting for a crash, so far the market holds up, albeit in a more sober fashion than the feverish spending of 2013/14.

London’s Impressionist, Modern and Contemporary art sales series in February, the first major auction test of the year, were buffeted by jittering financial markets with totals at Christie’s and Sotheby’s lower than the equivalent of 2015 sales. The questionable practice of auction guarantees, rife at the top of the market in the past few years, are suddenly a rare thing. Sotheby’s is still licking its wounds after the $500m guarantee on the A. Alfred Taubman sale in New York last November cost them $12 million, contributing to their fourth quarter loss of USD$11.2 million in 2015.

“Market correction” is the diplomatic term du jour as buyers, spooked by global uncertainty, hold out for lots where quality, rarity and provenance align, such as Rodin’s 1890-91 bronze Iris, Messagère des Dieux which sold for £11.6 million at Sotheby’s in February.

However, when auctions soften, the private market can strengthen. In the wake of February’s circumspect sales came Bloomberg’s report of “one of the largest private art deals ever”, around $500 million paid by billionaire Ken Griffin for two Abstract Expressionist paintings by Jackson Pollock and Willem de Kooning in late 2015. There’s still life in the market yet.

In their 2016 forecast, analysts ArtTactic predict a “neutral-positive” outlook as stock market volatility is “likely to trickle down and dampen the confidence in the global contemporary art market.” However, while they expect a plateauning modern and contemporary art market in the US and Europe, ArtTactic predict further growth in the local Middle East market, despite an acute awareness of the risks from war, terrorism and geo-political tensions.

Such fears have not deterred increasing competition in the region among international auction houses and galleries. This March, Stéphane Custot of London gallery Waddington Custot, will become the latest to
open an outpost in Dubai’s burgeoning industrial cum cultural district Al Quoz which Custot describes as “Like Chelsea in New York 30 years ago.”

While most galleries in Dubai still concentrate on local artists, Custot will show international names. He chose Dubai because Continental Europe was too close to home and Hong Kong too far and too expensive. “I already did a lot of business in Dubai and also the Louvre is about to open,” he says. “When a museum like that opens it brings the market mechanically, it creates a social, artistic and economic buzz.”

Two years ago when he chose to open here the Middle Eastern economy was, admits Custot, more bullish. “But it can come back. Everything is cyclical, it goes up, it goes down,” he says defiantly. “Today is not brilliant but it doesn’t worry me.”

Also a believer in the UAE’s resilience is William Lawrie, who opened Lawrie Shabibi gallery with his partner Asma Shabibi in Al Quoz in 2011, showing contemporary artists from the broader region. “Everyone said it was the end in 2008, but Dubai bounced back stronger,” says Lawrie. “It’s too early to say whether the drop in oil prices will have an effect as there’s always a time lag. As for conflict and terrorism, the UAE is thousands of miles away from this turmoil and it has distanced itself from the instability. Obviously everyone is a bit nervous but we just get on with it.”

Lawrie was formerly at Christie’s which celebrates a decade of sales in Dubai this year. Hala Khayat, head of sale at Christie’s Dubai, believes the Middle Eastern market is healthy, relatively unaffected by recent humanitarian and oil price crises. “The regional art market is only 10 years old and still represents a field driven by passion and acknowledgement rather than investment,” she says. The relative affordability of this young market, thinks Khayat, also appeals to western collectors and she has “observed lately a staggering interest from the West in our sales,” fuelled by international museum shows of Middle Eastern art and the fostering of regional artists by some galleries.

Last November, Iranian-born Leila Heller, who has promoted Middle Eastern artists at her New York gallery for more than 30 years, opened the largest gallery on Al Quoz’s