

# Is The United Arab Emirates Constructing its Art History? The Mechanisms that Confer Value to Art

by Steve Sabella

Is the value of art simply an agreement between conscious entities where the art object escapes the physical world to touch something beyond us? Does this explain why it reaches imaginary prices which often bewilders, not only the general public, but also art connoisseurs? In 2008, the United Arab Emirates (UAE) investment firm, Abraaj Capital, launched a new annual art prize worth 600,000 USD. The competition encouraged emerging artists living in the Middle East, North Africa and Southeast Asia to submit an application with an internationally known curator with whom they were expected to work in order to develop the art concept. Three winning projects will be showcased at Art Dubai 2009, and will become part of the Abraaj Capital corporate collection. By offering one of the world's most substantial art competition endowments, can one assume that the UAE has bought the ability to influence the art world and grant value to emerging artists from the region? Or is there a system at work that has been serving to establish the value of art? It appears that the UAE decided to embark on a shortcut that takes advantage of the decades, or even the hundreds of years, of art knowledge that Western countries employed to grant value to their arts. There is a difference between 'price' and 'value'. It is possible for the price of artworks of the winning artists to reach international standards by time, but the question remains whether art created in such countries has value.

As Iain Robertson indicates, when art is created, a distribution system forms around it. Intriguingly, he sees the international art market as the sole mechanism conferring value to art. 1 In the past, artists usually exchanged their creativity in return for something. Robert Hughes even argues that some of the works of the great Masters (which now have great value) would not have existed unless someone had paid for them, and paid well. He considers the idea that money, pa-

tronage and trade corrupt the "wells of imagination", to be a "pious fiction". 2 This means that there needs to be a system at work to distribute art and grant it value. At the beginning of the millennium, the UAE was not on the art map, yet in just a few years, it has managed to prove itself as an emerging art market, one that is capable to attract substantive art investors. These investors no more consider art which is created in the Middle East to be 'junk', but rather have started to give it the label of being cutting edge. The art in question might not have changed in the last decade, but there are factors that allowed for this alteration in the perception of 'value'. Alan Bowness described four circles of recognition through which an artist goes through on his/her path to fame: peer recognition, critical recognition, patronage by dealers and collectors, and finally public acclaim. 3 Countries seeking to increase the value of their art, it seems, are required to go through nine major steps. Each of these steps plays a role in adding value.

1- Political Stability. Country's Infrastructure and Economy.

There appears to be a direct relationship between a given country's development and political status and the way in which its art is perceived and valued. There is a difference in value between two similar artworks painted by two artists where one resides in New York, and the other in Abidjan. Clearly, art created in New York will have more value 4. Since 1971, the UAE has enjoyed remarkable political stability. The federation between the seven emirates has proved to be very successful and is quite unique as it is open to the world, yet manages to adhere to local traditions and heritage. This political security and model of excellence has encouraged foreign investments. 5 Living standards have dramatically improved in the UAE as huge sums of money have been

1- Iain Robertson, *Understanding International Art Markets and Management* (Routledge; London, 2005), 13.

2-Robert Hughes, *Nothing if not Critical : Selected Essays on Art and Artists* (Panther; London, 2001), 388.

3-Alan Bowness, *The Conditions of Success : How the Modern Artist Rises to Fame* (Thames and Hudson; [London], 1989).

4-Iain Robertson, *Understanding International Art Markets and Management*, 16.

5-Embassy of the United Arab Emirates, «A Successful Federation,» <http://uae-embassy.org/html/trdln0607web/tl0507p24.html> (accessed Nov 10, 2008).

poured in to build the country's infrastructure, develop its social institutions, create jobs, diversify the economy (making it less dependant on oil) and consequently improve living standards. The population of Abu Dhabi alone grew by 8% in 2008, and the urban planning council estimates that the population will treble in the next twenty years to more than three million. Accordingly, there are plans to develop advanced transportation to include metro, rail and tram systems 6. The UAE has plans to become the first Arab state to develop atomic energy to meet its huge power demands 7. Since it opened in September 2004, the Dubai International Financial Centre (DIFC) is the world's fastest growing international financial centre. It also established a world-class stock exchange, the Dubai International Financial Exchange (DIFX) in 2005. 8 With an annual capita of 25,000 pounds, Abu Dhabians are among the richest people on earth. 9

## 2- Education.

There is a correlation between wealth and culture. 10 This might explain why Western countries appreciate art more than developing countries. RAND, an American institution that helps improve policy and decision-making through research and analysis has conducted a study to explore the characteristics of art participants and the factors that influence art participation in the United States. The study indicates that, historically, "education has proven to be the single best predictor of participation in the fine arts." 11 It found that people who attend museums are better educated and have higher incomes. It also found a relationship between income and education, suggesting that people who earn a higher income tend to be more educated. Hence, we can consider gen-

eral education as an internal factor in adding value to the arts as it helps people to appreciate the medium. With time, this appreciation and the increased level of art participation, will give rise to people who grow into a society that is culturally and artistically nurtured. It is inevitable that art appreciation will start to translate into value. The UAE which a very rich country, has realized the importance of general education. It has made it a priority in the last two decades. Education spending was 4.6 billion USD in 2008 and is generally by far the largest item in the federal budget 12 (Appendix 1, page 15, contains a summary of the education in the UAE).

## 3- Government policies.

The federal government of the UAE has recognized that it is a political priority to enhance the public infrastructure to achieve civilized life. In 2005, foreigners were allowed to own land on a leasehold basis which has triggered a boom in construction and foreign investment in many parts of Abu Dhabi, similar to the one that has been occurring in Dubai 13. According to the Abu Dhabi Chamber of Commerce and Industry, "The United Arab Emirates has one of the most dynamic economies in the Gulf with a booming oil industry, Free Trade Zone with 100 % foreign ownership, stock exchange, privatization, industrial zones, and an open banking system." 14 The UAE has no income, sales, property, or value added taxes. 15 Over 75% of imports enter duty free and 25% are subject to a 5% tariff. There are no duties on exports. As for intellectual property, the UAE (which is a member of the World Intellectual Property Organization) passed three laws in 1992 protecting intellectual property: a copyright law, a trademark law, and a patent law. Implemen-

6- James Drummond, «Abu Dhabi's Growing Pains," The Financial Times (September 9, 200), <http://www.ft.com/cms/s/0/0466e3ba-7e08-11dd-bdbd-000077b07658.html>. (accessed November 10, 2008).

7-Simeon Kerr, «UAE sets out to become first Arab nuclear state," The Financial Times (March 25, 2008), <http://www.ft.com/cms/s/0/b17da690-f9f8-11dc-9b7c-000077b07658.html>. (accessed November 12, 2008).

8-Dubai International Financial Centre, «About DIFC,» <http://www.difc.ae> (accessed November 20, 2008).

9-Liz Gill, «Busy at not being Dubai," The Financial Times (October 20, 2007), <http://www.ft.com/cms/s/0/ba891776-7d23-11dc-ae2-0000779fd2ac.html>. (accessed November 14, 2008).

10-Iain Robertson, *Understanding International Art Markets and Management*, 17.

11- Kevin F. McCarthy, "A portrait of the Visual Arts : Meeting the Challenges of a New Era," (RAND Corp.; Santa Monica, CA, 2005), 21.

12-Higher Colleges of Technology, «HCT at a Glance», [http://www.hct.ac.ae/misc.aspx/hct\\_at\\_a\\_glance.aspx?p=aa](http://www.hct.ac.ae/misc.aspx/hct_at_a_glance.aspx?p=aa) (accessed November 16, 2008).

13-Liz Gill, «Busy at not being Dubai," The Financial Times, (October 20, 2007).

14-<http://www.abudhabichamber.ae/user/default.aspx>

15- Corporate taxes are applied only to oil-producing companies and branches of foreign banks.

16-<http://www.abudhabichamber.ae/user/default.aspx>

tation of the copyright law began in September 1994. 16 The “droit de suite” (artist resale right) does not exist, further encouraging art businesses to run their ventures in the UAE. In brief, there are many foreign investment incentives that have encouraged auction houses, museums and galleries to set up businesses in the UAE.

#### 4- Museums.

The role of museums is essential in validating art and in adding value to it. 17 It is necessary for countries to build their own museums and work on promoting their collections globally. UNESCO crowned Sharjah the Cultural Capital of the Arab world in 1998 due to “its commitment to art, culture and preserving its heritage.” It houses over 25 museums and art institutions and theatre, music, painting and sculpture are widely encouraged. The museums are diverse enough to include aircraft and natural history and the Sharjah Art Museum is the largest gallery in the Middle East.

Perhaps, an influential factor in adding value to art in the UAE is the building of a local Louvre 19 (designed by Jean Nouvel) and Guggenheim (designed by Frank Gehry) in Abu Dhabi. Such valued and branded museums will help to validate artists’ work and advance their careers faster, especially when these museums start acquiring the work of local artists in their permanent collections. This can be considered a tactical move as it makes full use of the established reputation of these museums rather than wait decades until the local art museums that the UAE has built, acquire a similar reputation which can in return bestow a similar value to collected artworks. Also, museums play a “fundamental role to the general education of arts appreciation.” 20 Artworks which become part of museum collections enhance “the pedigree and future sales of the artist and primary dealer.” 21 Hence, museums are required to empower the artist and the gallery and to contribute to the art market structure. However, branded museums require art to fill up their spaces and collections and often need to acquire artworks from branded artists to attract attention. In theory, it is possible that the

new art environment emerging in the UAE seeks indirectly to create art stars like Farhad Moshiri, whose created fame will help museums fulfill their missions and justify their constructions. 22 Still, it will be a challenging task for the UAE to sustain branded museums.

#### 5- Biennales.

Curatorial shows bring influential people to the region: artists, dealers, critics and collectors. Since its inception, the Sharjah Biennial has positioned itself as a distinguished cultural event in the Arab world that is constantly gaining momentum. Jack Persekian, curator of the 7th Biennale and artistic director of the 8th Biennale, asserts the necessity of focusing on artists from the region in order to ensure “alternative means and resources for artists and their work outside the known channels of support, which mainly originate in the west. 23 Accordingly, Sharjah Biennale 8 featured 80 artists from over 40 countries, including 28 artists from the Arab world. Furthermore, biennales attract extensive media exposure, and offer opportunities for critics to evaluate art shows. Although, the role of the critic has been marginalized in the West, their function in emerging art countries is still essential.

To provide a platform for critics to share their articles, three distinguished art magazines have appeared that specifically tackle art and culture in the Middle East. Established in 2003, Bidoun magazine (already issue 15), has gained an international reputation and has a stand in major international art fairs. Canvas magazine (established in 2004) is published in Dubai and has also gained recognition. Nafas Art Magazine (established in 2003) is an online magazine that covers contemporary art from Islamic influenced countries and regions. It is published by Universe in Universe. 24 Worth mentioning is the new journal, Contemporary Practices which was launched less than a year ago. Its head offices are in London, with a branch in Dubai. This journal, which is now in its fourth edition, is devoted to the study of contemporary Middle East art practices.

17-Iain Robertson, *Understanding International Art Markets and Management*, 22.

18-Robin Wigglesworth, «Sharjah plays its culture card,” *The Financial Times* (September 11, 2008), <http://www.ft.com/cms/s/0/feee2658-7f4e-11dd-a3da-000077b07658,s01=1.html>. (accessed November 14, 2008).

19-The museum will be known as Louvre Abu Dhabi and will have 300 artworks on loan from the Louvre for a period of 15 years.

20-Iain Robertson and Derrick Chong, “Introduction to Studies in Art business,” *The Art Business* (Routledge; London, 2008), 13.

21-Derrick Chong, “Marketing in Art Business: Exchange Relationship by Commercial Galleries and Public Art Museums,” *The Art Business*, ed. Iain Robertson and Derrick Chong, (Routledge; London, 2008), p 117.

## 6- Galleries.

Top dealers are influential tastemakers and are important economically and culturally. They can also perform as curators, sponsors and supporters of public art institutions.<sup>25</sup> For a prospering art market, it is necessary to “secure the livelihood of the artist” who is actually the main factor in the market circle.<sup>26</sup> Tens of commercial galleries, which deal in the primary market, have opened in the last few years, most notably: 1x1 Art Space, ArtSpace Dubai, B21 Progressive Art Gallery, Courtyard Gallery, The Flying House, Green Art, Majilis Gallery, Sahary Gate Gallery, XVA Gallery, Ghaf Art Gallery, Expo Centre Sharjah and The Third Line.

Secondary market galleries are also crucial distribution channels in any established art market. The Financial Times reported in 2007 that Charles Saatchi planned to open a gallery in the “art-hungry UAE”.<sup>27</sup> This move can be considered an endorsement from a leading figure. The Samuel Osborne gallery which deals in primary and secondary markets in London also has similar plans to open a gallery in Abu Dhabi. Given the young age of the UAE market, it remains to be seen how the secondary art market develops in this sector.<sup>28</sup> In brief, primary and secondary galleries can be seen as the corner stone of any country aspiring to have a healthy art market.

## 7- Collectors.

Collectors are required to support artists and help sustain their livelihood.<sup>29</sup> There has been a distinct shift in taste for Arab collectors in the Gulf who were previously fixated with watercolors and ‘orientalist’ oil paintings of harems and horses.<sup>30</sup>

These collectors are now purchasing Andy Warhol, Damien Hirst as well as contemporary Arab art and they are effectively taking part in validating the work of Arab artists. A strong body of private and corporate collectors is needed to ensure the circulation and demand for art in the art market. More art collectors like the Emirati Abdul Raheem-Sharif who runs The Flying House need to emerge and be encour-

aged. This in turn entices artists to create more. As demand increases, the art economy progresses.

Demand for art to decorate corporate offices has risen considerably, particularly in Dubai.<sup>31</sup>

Companies realize the influence such collections have on their corporate image in terms of prestige and branding. Serious collections are growing and the DIFC has built a large art collection of its own, featuring the works of local, regional and international artists. As a confirmation of the importance of this collection, “JPMorgan announced that it will be exhibiting [in Dubai] master artworks from the JPMorgan Chase Art Collection at a special exhibition in partnership with the Dubai International Financial Centre.”<sup>32</sup>

Furthermore, there has been an increasing participation of Middle Eastern<sup>33</sup> and Iranian buyers in auctions in the UAE. Christie’s statistics indicate that in their April 30, 2008 auction, 77% of buyers were from the Middle East and Iran. This is up from an average of 50% in previous sales.<sup>34</sup>

## 8- Auction Houses.

In 2005, Christies spotted the potential of this new emerging art market and opened a regional office. A year later, it tested the market with its first auction where 94% of the lots sold by value (\$8.5m). They were bought by buyers from seventeen different countries.<sup>35</sup> In 2007, Bonham’s opened an office in Dubai and in March 2008, with its first auction, it broke three world records for three regional artists. The auction achieved three times the expected results with 94% of the lots being sold.<sup>36</sup> It is remembered for being the first auction where a Middle Eastern artist passed the one million USD sale. Similarly, Phillips de Pury has announced plans to hold auctions of Middle Eastern contemporary art in Dubai from Spring 2009.<sup>37</sup> This is a sign that the UAE is emerging as a “commercial hub for modern contemporary art from the region”.<sup>38</sup>

<sup>22</sup>According to Bonhams press release “Farhad Moshiri’s <Eshgh> (Love) broke two world records at Bonhams first Middle East auction, being the first Middle East work of art to sell at auction for over US\$1 million and also placing Moshiri as the highest achieving Iranian artist at auction”.

<sup>23</sup>- Jack Persekian, “In the beginning was the act,” <http://www.sharjahbiennial.org> (accessed November 29, 2008).

Even though, Sotheby's has picked Qatar as its base in the Middle East and is aiming to hold its first auction in the spring of 2009,<sup>39</sup> it can be argued that the UAE has encouraged competition, which in turn, is affecting other countries in the region. This has also led auction houses to focus more on Iranian and Middle Eastern art in their main offices in London and New York. There is no doubt that the achieved prices have triggered attention and contributed to the addition of value to art originating in the Middle East. To explore this impact, the auction results of three artists have been graphed. The graphs show that their prices have reached record high levels, proving that when the right art infrastructure is set, the value for their artworks increases (Appendix 2, page 15- 17).

### 9- Art Fairs.

As art fairs proliferate worldwide, the UAE has made sure to align itself with this experience. With the arrival of Christie's and the consequent opening of commercial galleries, the idea of the first Gulf Art Fair was born. It was created as an annual event with the aim of developing it as an international art market to compete with the top five.<sup>40</sup> The fair also aims to create forums that bring together regional and international artists, writers, collectors, curators and academics to discuss ideas to promote the arts in the UAE.<sup>41</sup> Renaming itself to the Art Dubai fair (in its second year), it managed to attract 400 gallery applications, of which 71 were chosen, compared to the 41 who participated in the first Gulf Art Fair. John Martin, the fair director, explains that "Dubai is a key stopping point between India, east Europe and Africa. It is also a financial hub and a tax-free haven which is important for collectors."<sup>42</sup> The Creek Art Fair is a satellite fair that has been running parallel to Art Dubai since 2007 and aims to

showcase younger talents. It is important because it accepts and promotes a considerable number of the UAE local galleries.<sup>43</sup>

Abu Dhabi followed by introducing the artparis-AbuDhabi fair in 2007. As artparis<sup>44</sup> is an international fair dedicated to modern and contemporary art, this association and partnership awards the Gulf region with another meeting point for the art market, art collectors and art lovers in general.<sup>45</sup> It also exposes exhibiting Arab artists to a larger audience which helps to internationally validate their art. The immediate association with artparis endorses the potential of the region's art market, with UAE at its epicenter.

### Concluding Remarks

Art is an 'object of exchange'. Given that contemporary art has moved from a 'pure' visual aesthetic pleasure to the realm of intellect where art theory is often needed to make one see an object as art, one could argue that education in its broader meaning, and art education specifically, might be necessary components in any culture seeking to add value to its art.<sup>46</sup> 'Value' in aesthetic terms is inextricably associated with the idea, not the object, as Anthony Downey argues and one can conclude that value is also associated with the level of intellectuality a person acquires. Sol Lewitt, a conceptual artist, believed that the idea precedes the artwork and is the privileged bearer of 'value'.<sup>47</sup> In other words, if you do not get the 'idea', chances are high that you will not attribute any value to the work of art.

The UAE is building its cultural credentials at a record speed. To contextualize the apparent success of this Middle Eastern market, comparing it to other emerging art markets like the Indian and Chinese might be necessary. The UAE as a coun-

24-Universe in Universe, «Nafas Art Magazine Editorial,» <http://universes-in-universe.org/eng/nafas/editorial> (accessed November 25, 2008).

25-Catherine Morel, "Private Patrons in a Contemporary Art Market", *The Art Business*, 105.

26-Iain Robertson, *Understanding International Art Markets and Management*, 68.

27-Andrew Edgecliffe-Johnson, «Saatchi in talks on opening gallery in art-hungry UAE," *The Financial Times* (November 17, 2007), <http://www.ft.com/cms/s/0/9a187d92-94b1-11dc-9aaf-0000779fd2ac.html>, (accessed December 6, 2008).

28-It is clear that UAE needs time until enough art is circulated and art appreciation increases for a flourishing secondary market to develop.

29-Some collectors (like Saatchi) also play a major role in adding value to artworks when they include them in their collection. The ruling Qatari family Al-Thani are emerging as distinctive collectors.

30-Simeon Kerr, «Dubai buyers lift Middle East Art," *The Financial Times* (November 3, 2007).

31-Selin Arkut, «Corporate culture", (November 8, 2007)," <http://www.arabianbusiness.com/537438-corporate-culture>. (accessed November 29, 2008).

32-Dubai International Financial Centre, «His Highness Sheikh Majid bin Mohammed Opens DIFC Art Collection 1,» June 23, 2008, [http://www.difc.ae/press\\_centre/archive/2008/512.html](http://www.difc.ae/press_centre/archive/2008/512.html) (accessed November 25, 2008).

try has more wealth, enjoys a stable political regime and has an impressive urban infrastructure, granting it the necessary tools to position itself as a competitive art market in the long run. It is already a hub for all neighboring countries and is constantly attracting more investors and artists.

The price of a work of art, as Robertson indicates, does not necessarily match its value as often prices exceed value. 48 At times when the global financial crisis is affecting the art market as a whole, it is hoped that the UAE may be on the right track to producing artists whose work should be more valued by museums and curatorial shows. This allows their work to gain substance, quality and artistic merit. The rapid growth that was witnessed in auction rooms should not be the sole factor that attributes value to works of art. 49

Consuming art is a form of addiction 50 but, unlike normal drugs, art addiction requires more time to influence the brain. That is, changes in the perception of value will occur over time. Hence, if the UAE continues on this track and succeeds in creating a functioning and coordinated art infrastructure, it might be successful in creating a generation of people who will become art savvy and influential. Twenty years from now, people born in this new reality, might wonder how their parents lived in an era that had no art infrastructure whatsoever. People wrongly assume that the art boom in the UAE was solely due to the arrival of the auction houses, rather than to the development of all the factors explained above. Therefore, as art history is rarely made in auc-

tion houses, it still has to be seen whether the new acquired prices will translate into 'solid value' and survive the test of time.

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Higher Colleges of Technology, «HCT at a Glance,» [http://www.hct.ac.ae/misc.aspx/hct\\_at\\_a\\_glance.aspx?p=aa](http://www.hct.ac.ae/misc.aspx/hct_at_a_glance.aspx?p=aa) (accessed November 16, 2008).

33-The ruling Qatari family Al-Thani have bought the Damian Hirst's Lullaby Spring for £9.7m and are also believed to have purchased the Rockefeller Rothko for \$72.8m This is a sign that Arab collectors are starting to influence the art market. Sarah Thornton, «Revealed: Royal family of Qatar is buyer of world's most expensive Hirst,» The Art Newspaper (May 1, 2008), <http://www.theartnewspaper.com/article.asp?id=8412>. (accessed December 2, 2008).

34-Anders Petterson, «Middle-East, Modern & Contemporary Art Market,» ArtTactic, October 2008, [http://www.arttactic.com/open-report.php?type=reports\\_other&id=20](http://www.arttactic.com/open-report.php?type=reports_other&id=20) (accessed December 3, 2008).

35-Susan Moore, «Dubai's the limit,» The Financial Times (March 2, 2007), <http://www.ft.com/cms/s/0/5a0d8e08-c82a-11db-b0dc-000b5df10621.html> (accessed November 30, 2008).

36-Bonhams, «Bonhams Dubai Breaks Three World Records,» March 2008, <http://www.bonhams.com> (accessed November 27, 2008).

37-Antonia Carver, « Middle East, Sotheby's picks Qatar,» The Art Newspaper 196 (Nov. 2008): 67.

38-Bonhams, «Bonhams Dubai Breaks Three World Records,» March 2008.

39-Middle East, Sotheby's picks Qatar. Auctions to be held from 2009. Art Newspaper, No. 196. Nov. 2008. Antonia Carver. Page 67

40-Art Basel, Art Basel Miami Beach, Frieze, TEFAF and FIAC.

41-Susan Moore, «Dubai's the limit,» The Financial Times (March 2, 2007).

42-Gareth Harris «Art actually,» The Financial Times (March 1, 2008), <http://www.ft.com/cms/s/0/86c8a8be-e733-11dc-b5c3-0000779fd2ac.html>, (accessed December 4, 2008).

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## Appendix 1

UNESCO put the adult literacy rate in the UAE at 89% in 2007, up sharply from 77% in 2003 and 43% in 1975. As for higher education, wealthy families send their children to study in the United States or Europe. Those who choose to study in the UAE have a choice of several universities. Prominent universities are: Emirates University (established in 1977) at Al Ain in Abu Dhabi, Zayed University (established in 1998), which has campuses in Abu Dhabi and Dubai, The Higher Colleges of Technology (established in 1988 and is well respected for innovative learning in the United Arab Emirates) and a number of vocational colleges, among others. However, to protect national identity and to encourage students to seek higher education in the UAE, the country embarked on the creation of the Dubai International Academic City. World-renowned academic institutions have been invited to become part of this “dedicated education free zone.”<sup>51</sup> The most prestigious university to have established a presence in the UAE is France’s Sorbonne, which opened a campus in Abu Dhabi in October 2006. Abu Dhabi is also funding the establishment of a campus for the New York University which should accept its first intake of students in 2010. Sharjah, with the establishment of Sharjah’s University City in 1997, has become a major learning center in the Middle East. Sharjah now boasts high profile educational

<sup>44</sup>-This is how the fair brands its name, with a small letter ‘a’—artparis.

<sup>45</sup>-Artparis, «About us,” [http://www.artparis-abudhabi.com/index\\_uk.php?id=40](http://www.artparis-abudhabi.com/index_uk.php?id=40), (accessed December 3, 2008).

<sup>46</sup>- Iain Robertson and Derrick Chong, *The Art Business*, 14-59.

<sup>47</sup>-Anthony Downey, “Selling UseD Cars, Carpets and Art,” *The Art Business*, 55-66.

<sup>48</sup>-Ibid., 48.

<sup>49</sup>-Anders Petterson, «The Correction,» *ArtTactic*, November 2008, <http://www.arttactic.com/subscription-newsletter.php?id=16> (accessed December 3, 2008).

<sup>50</sup>-Iain Robertson, Victoria Tseng, Sonal Singh, “Chindia As Art Market Pportunity,” *The Art Business*, 87.

centers such as the American University of Sharjah, the Continuing Education Centre, Sharjah University, The Higher Colleges of Technology, Sharjah Women's College, Horizon College, Sharjah College and the Sharjah Institute for Arab Calligraphy and Ornamentations, the Sharjah Theatre Institute and the Discovery Centre, among other prestigious educational institutions. It consists of several universities of which the American University of Sharjah (AUS) is the most prominent.<sup>52</sup>

## **Appendix 2**

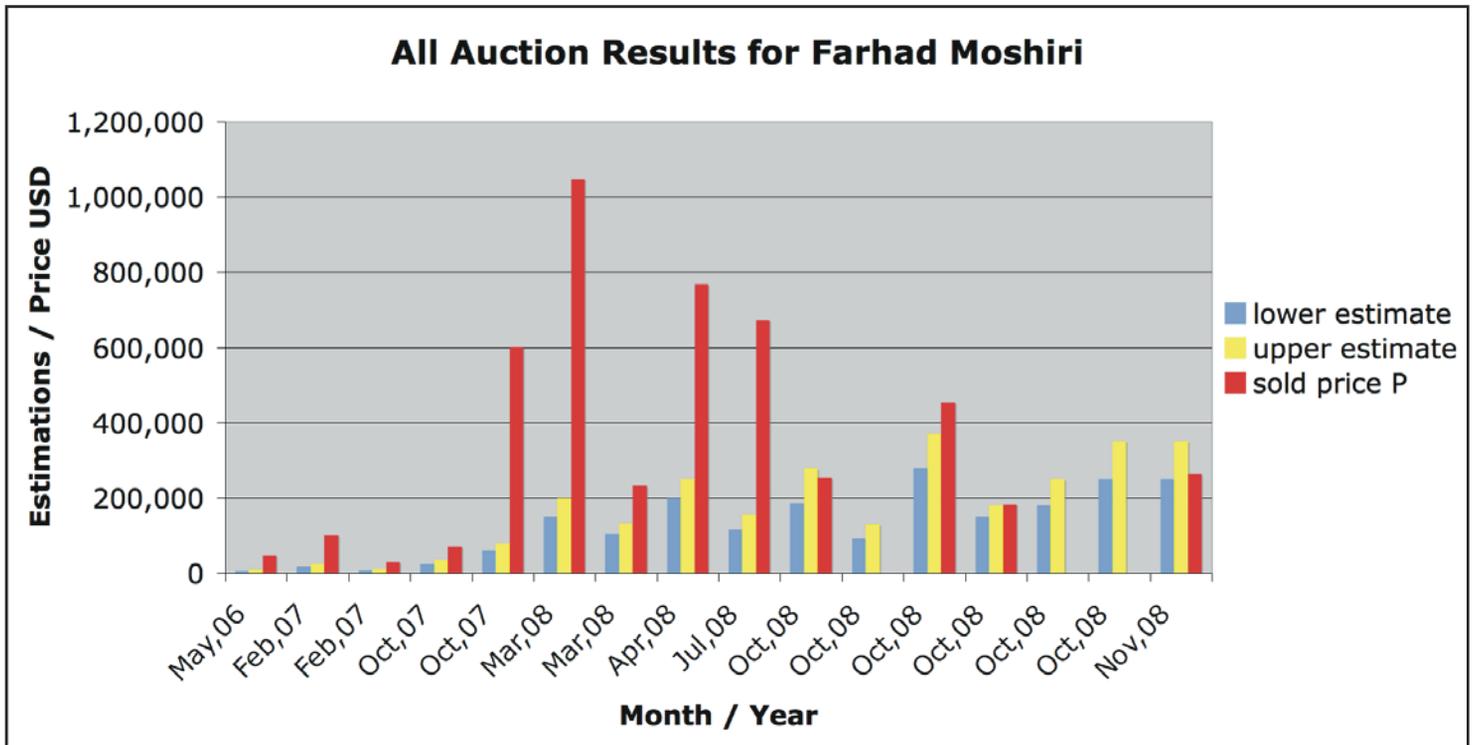
### **Farhad Moshiri (b. 1963, Iran)**

According to ArtPrice, his first auction was in May 2006 where his work sold for 48,000 USD (four times the upper estimate). Prices continued to rise steadily reaching four, five and even six figures. Consequently, he became the first artist in the Middle East to sell for more than one million USD ("Love" sold for 1,048,000 USD Bonhams Dubai). It could be argued that due to the success of Farhad Moshiri's market in the Middle East, he managed to become part of the main Western Contemporary Evening sale in July 2008 at Sotheby's in London, where his work sold for 560,000 USD — three times higher than its upper estimate.<sup>53</sup> The Arab and Iranian artworks have been performing well above expectations. One can argue that they had an obscured monetary value waiting to be discovered by the rising of a vibrant cultural landscape, proper marketing and representation.<sup>54</sup>

### **Abdul Kadir AL-Raes. (1951, UAE)**

His case is important because he is an artist from the UAE and one could claim that his artworks might have stayed unknown had it not been for this country's newly established distribution systems. His first auction presence started in Feb. 2007 with a price of 112,288 GBP (four times the upper estimate) for a work he created in 1995. Interestingly, this success might have influenced the value of later artworks which have reached prices of 161,472 GBP.

<sup>51</sup> «Africa economy: Trying to weather the storm,» EIU ViewsWire October 31, 2008, <http://www.proquest.com/> (accessed November 17, 2008).



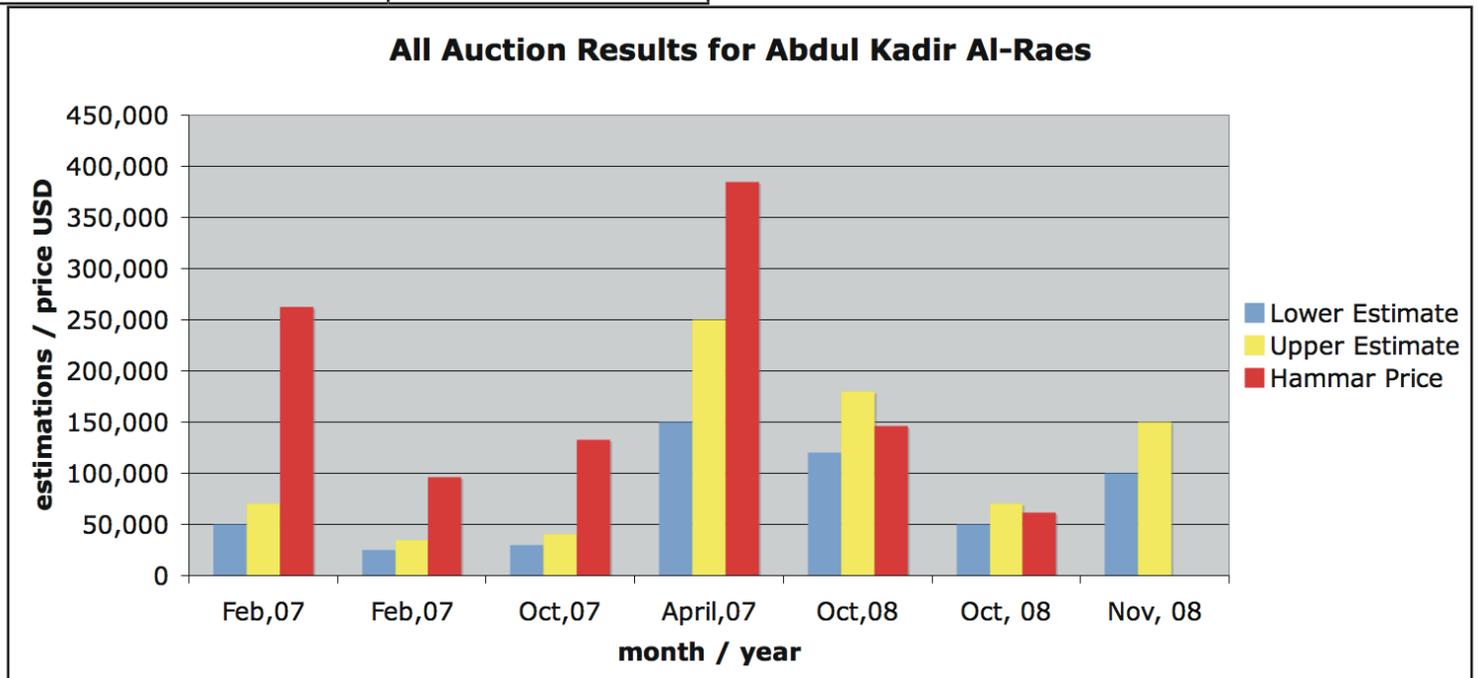
As can be noticed that the sold price was often much above the upper estimate. The fact that his artworks did not sell in Oct. 8, 2008, might be related to the credit crunch the general world economy is going through and the consequent effects on the art market. True to Nov. 8 2008.

Farhad Moshiri b. 1963 (Iran)	
*data collected from art net	
Total pre-sale lower estimate	\$2,076,961
Total pre-sale upper estimate	\$2,810,917
Total sold amount	\$4,728,951
Sold % by no. lots	75%
Average sold price	\$363,765
Median	\$253,844

52-Sharjah, «Sharjah has always been a pioneer in culture and education,» <http://www.sharjahtourism.ae/en/category/education/university-city/> (accessed November 18, 2008).

53-Anders Petterson, «Middle-East, Modern & Contemporary Art Market,» ArtTactic, October 2008,

Abdul Kadir AL-RAES (b. 1951 UAE)	
*data collected from art net	
Total pre-sale lower estimate	\$525,000
Total pre-sale upper estimate	\$795,000
Total sold amount	\$1,084,380
Sold % by no. lots	86%
Average sold price	\$180,730



## Paul Guiragossain (1927-1993, Lebanon)

It is necessary for this research to see how the market influences the work of dead artists. Artnet lists 35 auction results for Guiragossain. His first auction presence was in 2001 at Sotheby's London where two of his artworks sold for 5,000 GBP and 8,500 GBP in the May auction. In the September auction of the same year, his two lots failed to sell. Apparently, the market lost confidence in his work until the Dubai Christie's sale in 2006 where his work sold for 24,000 USD. Since then, the price of his work has steadily increased to 169,000 USD. His average in 2006, 2007 and 2008 was 77,000 USD. It appears that there is a correlation between the newly developed art market and the reemergence of Guiragossain. Also, it is highly probable that his work received exposure to an interested audience who placed the correct value on his work.

