



. . . . news flashes from the Ethnic Arts Council

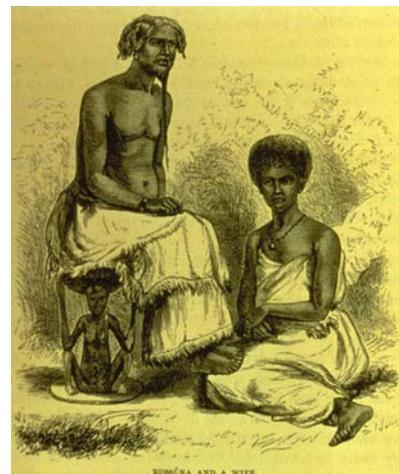
JANUARY 2012



“The King is a Woman” - Body Politics in Luba and Tabwa Arts of Congo

By Feelie Lee

To a standing room-only crowd, the superb December 11th presentation by Drs. Polly and Al Roberts at the art-laden home of Jan and Richard Baum was well received by those fortunate to attend. Feelie Lee, the Program Chair, introduced the Roberts as an unusual professorial husband-wife team from UCLA who write books, curate exhibitions, and do research together, as well as work in the same department, UCLA World Arts and Cultures! They have even co-curated two traveling exhibitions - one on Luba art (1996) and the other on Sufi art (2003) - that have won prestigious awards in their field.





In a richly illustrated joint lecture, Polly and Al Roberts presented the complex depiction of female and male figures in the arts of Luba, Hemba and Tabwa peoples of the Democratic Republic of the Congo. **The central question of the**



talk was why the emblems of patrilineal Luba male rulers always depict the female image, whereas predominately matrilineal Hemba and Tabwa peoples prioritize the male figure. Polly showed a 1870s engraving of a Luba king seated on a throne supported by a sculpted female figure, with his feet resting on the lap of one of his wives. All the women in the audience bristled but waited. While this image would suggest women played a subservient role in

Luba culture, Polly went on to demonstrate that in fact women were the power behind the throne, or as Luba say, “the king is a woman.” Luba elders consider women’s bodies as effective vessels of spiritual energy, and therefore, women play crucial roles in both politics and art. Female figures invariably adorn the emblems of rulers, diviners, and historians – from thrones and scepters, to headrests, bowl figures, and memory boards – to protect the secrets of Luba royal culture and to embody the memory of deceased kings for posterity. Al then showed how male figures from Luba-related groups such as the Tabwa and Hemba are linked to the land, the cosmos, and concepts of generation. The figures commemorate great ancestral heroes as they gesture to their navels in reference to their mothers. Both Polly and Al demonstrated that African works of art are far more complex than meets the eye, and that – as a Luba proverb states – **“Men are chiefs in the daytime, but women are chiefs at night.”**



The female audience smiled at this conclusion, and then everyone welcomed Michael Govan, the Director of LACMA, whom our host, Richard Baum, described as a “young man” who came to our home “5 years and 22 days ago” speaking about the importance of an African art collection in an encyclopedic museum like LACMA. Govan then announced the appointment of Polly Nooter Roberts as Consulting Curator for African Arts at LACMA; she will help launch an African art program, establish a permanent gallery for the arts of Africa, and create linkages between UCLA and LACMA. To celebrate the good news, champagne bottles were uncorked, and



numerous toasts were made to Polly, the Baums, Michael Govan and Nancy Thomas, and everyone else in the room. Year 2011 ended with a royal bang as people gathered before a sumptuous table groaning with the weight of festive foods and sparkling liquor.



Jan Baum, Feelie Lee, Richard Baum, Nancy Thomas, Polly and Al Roberts

UPCOMING EAC PROGRAMS:

SAVE THE DATE!

February 25, 2012:

Order and Disorder - Alighiero Boetti by Afghan Women
Opening Night Curator's Talk & Party 5-8:30 pm.
Special EAC Invitation. (forthcoming announcement)



dreamstime.com



March 18, 2012:

Connoisseur Home Tour - The Cheri and Edwin Silvers Collection (forthcoming announcement)

UPCOMING EVENTS:



**SAN FRANCISCO TRIBAL & TEXTILE ARTS SHOW
The 26th Annual Show: Fine Art of Native Cultures
100 International Dealers Exhibiting Textiles, Tribal
Arts, Artifacts, Objects, & Art**

Preview: Thursday, Feb. 9th, 6pm to 9pm

Regular Hours:

Fri. Feb 10th & Sat. Feb 11th, 11 am – 7 pm

Sun. Feb 12th, 11am to 5pm

Fort Mason Center, Festival Pavilion

San Francisco, CA

For details, please go to: www.caskeylees.com



ART OF THE AMERICAS

The 28th Annual Marin Show

**200 Dealer and Artists Offering Antique American
Indian, Pre-Columbian, Spanish Colonial, and
Contemporary American Indian Art**

Preview: Friday, Feb. 24th, 6:30pm to 9pm

Regular Hours: Fri, Feb. 25th, 10am to 6pm, Sat, Feb. 26th,
11am to 5pm

Marin Center & Embassy Suites

San Rafael, CA

For details, please go to: www.marinshow.com



ASIAN & ISLAMIC ANTIQUES AS AN INVESTMENT

By Michael Backman

REPRINTED BY PERMISSION FROM MICHAEL BACKMAN. ALTHOUGH THE FOCUS OF THIS ARTICLE IS ON ASIAN AND ISLAMIC ANTIQUES, THE INFORMATION IS RELEVANT AND WELL WRITTEN FOR THOSE COLLECTING AND INVESTING IN TRIBAL ART.

Art for art's sake is a virtuous thing. But antiques and other forms of art also can be treated as a distinct investment class. It's an investment category that is booming – the international art and antiques market is worth around \$50 billion annually. This when many other investment forms are under-performing.

The antiques and art market is undergoing an unprecedented restructuring as investors from new regions flood in. And with other economic developments such as rising inflation and commodity process, the market especially for Islamic and Asian antiques, offers an extraordinary investment opportunity.

This was apparent during the recent Islamic and Indian auctions at Christie's, Sotheby's and Bonham's in London in April (2011). A total of £44.5 million was raised from four auctions over a four-day period. Records were set but arguably what was more interesting was the breadth of the high results across item types and price ranges. An Indian brass hookah base that hitherto might have sold for £800-£1,200 realized £10,000. Good but not exceptional items of Indian bidri ware sold for £25,000. There were dozens of similar examples.

More generally, prices for many different categories of items within the Asian and Islamic antiques sphere have risen dramatically in the last eighteen months. For example, price rises for antique Burmese silver items, colonial Indian silver and Chinese export silver has far outstripped the rise in the silver price and perhaps has doubled or more in the last eighteen months. Why is this happening?

Demand & Supply

The supply of antiques is fixed by definition. More cannot be produced in response to rising prices. This is not so for contemporary art, or indeed for many other classes of investment products such as stocks, real estate, commodities. Even the supply of land is not fixed – land can be cleared and reclaimed. More stock can be issued, more diamonds can be mined. The fundamental problem which the Dutch tulip bubble of the seventeenth century was that more bulbs could be grown. This is not the case with antiques.

But on the other side of the equation, the demand for antiques grows constantly. Each year millions more people move into income categories for which the acquisition of antiques feasible. And the number of very wealthy individuals who can buy high-end antiques has grown exponentially.



So with fixed supply and rapidly rising and broadening demand, the price for antiques can only rise. Within the broad rubric of 'antiques' demand shifts and some categories fall from favour. But antiques still are very much a growth story as an investment class, particularly antiques that appeal to those in newly wealthy economies: India, China, Southeast Asia and the Middle East, and even South America where large fortunes have been amassed quickly and increasingly broadly. By 2030, China's GDP per capita will be seven times what it is today but already it is home to at least 500,000 US dollar millionaires for example.

The demand for Islamic and Asian art items is relatively new. Such demand until recently was scholarly. This means that there is no well-established history of prices and trends. New prices are quickly accepted as precedents by the market. And so auction estimates often are meaningless. Christie's New York offered in 2009 a Chinese inkstone stand and cover dated 1778 with an estimate of \$20,000-\$30,000. It sold to an Asian buyer for \$1.4 million. A small silver snuff box thought to have come from the Summer Palace near Beijing and with a pre-sale estimate of £300-£500 sold at a regional UK auction house in May 2011 for £20,000.

A MORE RECENT EXAMPLE?

Japanese antiques are an exception among Asian and Islamic antiques as a class. The market for them has faltered. Japanese buyers tend to underpin the market for Japanese art. Japan's economy is flat, its population is among the world's most rapidly ageing - more than 25 million Japanese are aged over 65 but only 18 million are under 15 - and with almost no immigration, Japan's population has now started to fall in absolute terms. By 2030, there will be around 20 million fewer Japanese compared with today. The market for Japanese antiques, like Japan's economy, probably will never recover.

China, Indian, Southeast Asia, the Middle East and South America do not have this problem. They have large, young and increasingly affluent populations.

Monopoly Power

What other factors drive the relative attractiveness of Asian and Islamic antiques as an investment class?

Many art objects are unique; particularly items from Asia and the Middle East for which production rarely reached the factory-like production levels of say English silver or English period furniture. The relative uniqueness of an object confers on its owner something akin to monopoly power and the ability to set its price.

The more unusual the item, the more this is true. Truly unique items have few reference points when it comes to a market value and the market value becomes the asking price: the item becomes worth what the owner says it is worth, subject



only to a buyer's willingness to pay.

Antiques and art do not produce an income stream by and large so it is not possible to price them today according to the net present value (NPV) of their future income stream. In many respects this helps to generate high values because such values cannot be pinned down to expected future earnings. What price is 'too much' for a rare antique? Who can say? But we can all point to an over-valued stock.

Ironically, whilst art cannot be valued in NPV terms, it does represent a tangible asset and so does have an inherent value unlike many classes of financial assets such as derivatives, which are intangible. An antique can be 'enjoyed'; a stock or a derivative cannot. The 'tangibility' of art and antiques is appealing to many investors particularly those from cultures (Chinese and Southeast Asian cultures for example) where intangible assets tend to be undervalued. The inherent value of art helps it to retain its value during financial crises and periods of uncertainty.

Imperfect Markets and Arbitrage Possibilities

Another important characteristic of the market for antiques is asymmetric knowledge: items routinely are offered to the market by sellers who are only vaguely aware of the value of the items they are selling. (The contrast with the stock market here is very stark – where teams of competing researchers analyze stocks in the search for hidden value thereby largely ensuring that there is none.)

This relative lack of knowledge allows for plenty of opportunities for gain: antiques can be bought at one price, be identified and researched and then re-offered at a higher and more appropriate price. The more research and context that can be provided for an antique, the greater becomes its intrinsic value. Collectors are able to enhance the value of their collections with their own research. This research has the effect of transforming the object and adding value to it. For the true collector, the investment is not passive. One does not 'buy and hold' an antique in the way that one 'buys and holds' stocks. The true collector interacts with it and with research, enhances it.

Antiques as a Convenient Store of Wealth

Antiques generally are portable. This is one reason why the newly rich in South America, China and Russia prefer them. They are relatively easy to ship should a quick exit be necessary. In this way they are comparable to other forms of wealth such as gold, jewelry, diamonds and even human capital much favoured by commercial minorities (education is a portable store of wealth which is why persecuted minorities have long preferred it as an investment – no-one ever escapes with only their clothes.)

The value of antiques is also unclear to the non-expert which makes antiques a useful means of hiding wealth in the face of voracious government, customs



officials and so on. What is an antique worth as it moves across borders? Chinese customs officials are not very expert at valuing porcelain. This has helped drive the price of Chinese porcelain on international markets in the face of tighter reporting requirements when it comes to international cash movements in the wake of 9/11. It also makes antique porcelain a useful gift for government officials. Anti-graft agencies find it difficult to value but everyone knows the value of a Mercedes Benz.

Low Minimum Investment

Antiques have a low minimum investment, usually starting in the hundreds rather than thousands of pounds or dollars for the novice investor. This allows the 'investor' base to be enormous – most households possess at least a few treasured 'old' items. And as many individual's income grows so does their allocation to antiques having had an early exposure.

Prudent Diversification

Quality art and antiques largely are insulated from the volatility of investment markets providing prudent diversification particularly when investment markets are falling. Numerous studies have shown that when part of an investment portfolio, art and antiques show little or no correlation with other classes of investment items, thereby acting to lower the overall riskiness of the portfolio. This means that allocating a proportion of an investment portfolio to antiques is not speculative, it's prudent.

Growing Liquidity

Antiques as an investment are relatively illiquid. But that illiquidity is lessening. Broadening and deepening of the antiques market has occurred with more auction houses and major antiques fairs. But the most important development has been the Internet, which has allowed the antiques market to become truly global. The Internet has revolutionized the market for antiques.

Most auction houses list their lots on-line and many now broadcast their auctions live on the Internet. This has dramatically increased options for the rapid disposal of antiques in front of a wide if not global audience. Most Christie's and Sotheby's auctions are now live on the Internet for example and the auctioneer now can take bids from the room but also from anywhere in the world be it Mongolia or Peru in live-time as the auction progresses. This has helped make buyers comfortable to buy antiques from the Internet.

Increasingly, commercial galleries sell via the Internet. Michael Backman Ltd has premises in central London that are open to visitors each business day but most clients are based overseas (United States, Singapore, Australia – in that order - and then a myriad other countries) and most clients first view the gallery's stock via the Internet. Ten years ago this barely would have been possible.



Antiques a Hedge against Inflation

The world is entering an inflationary period driven by higher commodity policies and a period of loose fiscal and monetary policy regimes run by Western governments.

Antiques are a hedge against inflation. The real value of antiques tends to stay either constant or rise. And with negative real interest rates in many Western markets currently, the imperative to reduce cash and bank deposit holdings is even greater.

Certainly in high-inflation economies such as Argentina, the conventional wisdom long has been that in periods of high inflation, individuals with wealth should invest in tangibles – real estate for example, and art and antiques.

With growing inflation but with new wealth, investors in economies such as Argentina, Brazil, Russia, and so on are even more disposed to acquiring art and antiques as a way to avoid holding cash. But as inflation becomes more apparent in the West and China too, the incentive to dump cash for antiques and other tangible investment classes rises.

Commodity Prices

Rising commodity prices are likely to have a negative impact on the broader economy but they also have an important distributional impact. Consumers generally lose as they must pay more, but what must be remembered is that commodity producer's gain. Huge amounts of wealth are being generated in new areas: China, Russia, the Middle East, South America, Kazakhstan, Australia and even parts of Africa. Rising gas prices for example have turned the Qatar Royal family into the world's wealthiest family but it has also allowed them to become probably the single biggest acquirer of antiques and artworks in the world. New and big collections are being formed in Mexico, China, Australia, India, Kuwait, Indonesia and so on. Not only are these collections being formed, they are being formed quickly.

As the price of coal has increased (the price increased five-fold between 2002 and 2008) hitherto unknown coal mine owners in China have emerged with great wealth and subsequently have become very important on the international art scene. Many buyers come from Taiyuan in China's Shanxi province, which holds around 80% of China's commercial coal deposits. The Taiyuan buyers emerged only in 2009 as major buyers of Chinese art on the international art scene, and quickly gained a reputation for fierce bidding at auctions and for having deep pockets.

Taiyuan-based coalmine owner Zhao Xin is an example of the new breed of buyers. Ten years ago no-one in the art world had heard of him. Probably today he is the world's most important private collection of ceramics provenanced to the Qing



Emperor Daoguang (reigned: 1820-1850).

Hundreds of new collectors have quickly emerged onto the art market in a short period and from regions that never before have been prominent in the international market for art. It is an unprecedented structural change for the market. The market is broadening and deepening like never before. It's worth repeating that all this interest is for items that are in fixed supply – it doesn't matter how high prices rise for genuine antiques, more cannot be produced to meet additional demand. The demand now is for Asian and Islamic antiques and art because of fast-changing wealth and demographic patterns. And so as an investment opportunity, this puts such antiques in a class of their own.

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The Ethnic Arts Council of Los Angeles (EAC)

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