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Yuan Yuan and Ye Xue represent two distinct generations within the Chinese contemporary art scene.

The Chinese contemporary art scene is beginning to recover from the 2007-2008 crisis when it suffered its first slump.

Is Chinese contemporary art a good investment? Prices have stabilized after the slump.

**Ye Xue has now found a measure of inner peace. The 49-year-old painter from Shannxi Province has become a devoted Buddhist and spends hours meditating. The calm he gains is reflected in his latest works: rich canvases often suffused with golden hues and abstract symbols he refers to as “sound waves.”**

They are a far cry from the angry, scowling terra-cotta warrior heads he painted only 10 years ago. Then, he was still coming to terms with the turbulent events that shaped his life and traced modern Chinese history.

Denounced as a counterrevolutionary at the age of 13 for supposedly writing an insult to Chairman Mao in the snow, he fled his village Chimuyu near the Yellow River. He worked as a laborer on building sites, in factories and in a coal mine until the age of 17. Eventually, Ye secured work as a messenger and attended an art school where he learned the “socialist realist” style.

Then came 1979 and his first glimpses of the works of foreign artists – Picasso, Rembrandt, Miró

and Mark Rothko. “They were badly printed on poor paper, but those images were incredibly shocking for China,” he recalls.

“At the time, our world was divided into bourgeoisie art and socialist realism. After seeing those pictures, I knew in my heart that they [the foreign bourgeoisie] knew better. Their art was more powerful when it came to expressing feelings.” Under that influence, Ye changed his style and later became involved with the avant-garde ’85 movement that was critical in the development of Chinese contemporary art. Today, his work is to be found in foreign embassies and even in the collections of such notables as Hillary and Bill Clinton.

**YUAN YUAN IS** a rising star. She received the accolade from the magazine *Modern Painters* after a successful show at the prestigious Ullens Center for Contemporary Art in Beijing and at Chambers Fine Art in New York. The magazine even chose her for the cover of an edition devoted to the emerging generation of Chinese artists.

In person, the 26-year-old can seem as ephemeral as some of her works – idealized images of young girls downloaded from the Internet, then painstakingly reverse-painted on the inside of Perspex half-bubbles.

A graduate of the Beijing Central Academy of Fine Arts, Yuan lives in an unheated studio in Beijing’s outskirts with her dog where she pursues her work with fierce concentration. This is reflected in some of her latest pieces shown in New York. Larger-scale evocations of nature, they powerfully depict rows of flowering trees in a classical style.

Supported by her father, a film director, and curated by Yu Hong, a leading artist and a professor at the Beijing Central Academy, Yuan worries little for the moment about selling her work. “I am just lucky to be able to paint,” she says, though she hopes her work will reach a greater audience.

**TALENTED AS THEY ARE,** Yuan and Ye represent two distinct generations within the Chinese contemporary art scene.

The first lived through China’s opening to the world, when freedom of thought and expression became more permissible. Their work often reflects and responds to those events.

The second is a generation that grew up after the opening, when China was gradually becoming prosperous. More familiar with the Internet than the events of Tiananmen Square, and having been reared in one-child families, this generation is often seen as more introspective and self-absorbed.

“I hope never to see another teddy bear stapled to a canvas again,” says Brian Wallace of the renowned Red Gate Gallery when asked about the generational divide and the younger artists. He agrees there is a clear distinction. Wallace, an Australian, was a backpacker who landed in Beijing in 1984 and stayed, helping to foster the contemporary art scene.

Speaking at the gallery, located in a remaining guard tower of Beijing’s historic city wall, he says that there is a change going on. “The older generation is more political and the politics is

still there. The younger one doesn't reflect on it, they have never suffered and this is reflected in their works," he explains.

"This is not to say that they aren't talented. The Chinese academy system ensures they are well trained, but the focus is on themselves and they depict a very consumer-oriented lifestyle. Few are thinking more broadly."

**THE CHINESE** contemporary art scene is beginning to recover from the 2007-2008 crisis when it suffered its first slump. From a nascent scene virtually unknown outside the country in the 1980s, contemporary art grew strongly in the 1990s and became a symbol for China's changing political and economic atmosphere.

Backed by local Chinese auction houses such as Guardian and Poly Auctions, the scene even began to attract wealthy Chinese buyers. Previously, it largely sold to a foreign audience, but local Chinese seeking to diversify their investment portfolios, given the unstable local stock market, were increasingly attracted to both contemporary and traditional art.

Although Christie's in Hong Kong had sold Chinese contemporary art since 1998, China became a serious player in the international art world in 2005 with the appearance of the first Chinese pavilion at the Venice Biennale.

Back home, prices, particularly for works from "The Four Gods" – Yue Minjun, Zhang Xiaogang, Zeng Fanzhi and Fang Lijun – climbed to unprecedented heights. Other artists received representation for the first time in their careers.

Then the global financial crisis hit. Prices plummeted, and many galleries opened in more optimistic times were forced to close. The effects can be seen at 798 – 50-year-old decommissioned military factory buildings that have become a thriving art zone. The area is still popular (it's rated the fourth-most-popular tourist destination in Beijing), but up to 80% of galleries lost money in 2009 and many were forced to close.

**"IN BEIJING,** there are probably half a million people calling themselves artists, with thousands more arriving every day from the country at the train stations," says Bob Shi, who turned his back on his high-flying career after surviving the Sichuan earthquake in 2008. The former chief commercial representative of the Financial Times in China, he opened a small, elite gallery catering to a few private clients.

"But only a small percentage would make a reasonable living as an artists," he says.

While Shi personally prefers the work of the older generation of artists (he represents Ye Xue, for example), he is also skeptical of some of the more political works.

"There is a lot of pressure on artists, both political and financial. I mean political in the sense that there is a temptation to be fashionable, to be Western and avant-garde. This can lead artists to paint Mao, Tiananmen, and all the dark sides of our history. This may sell well at the moment, but I wonder how that work will stand up over time?"

**IS CHINESE CONTEMPORARY ART** a good investment? Prices have stabilized after the slump. Even if they are not rising, at least they are no longer falling, comment many in the scene.

Looking back over 20 years, Brian Wallace thinks Chinese art has been a good investment, but acknowledges a lot of people got burned in recent years. “You have to know what you are doing if you are buying as an investment,” he explains.

“The art scene will move ahead, but the price rises are unlikely to be as dramatic. And there will be bubbles and bursts – every art market has those.

“But the infrastructure is here now, the biennales, the auction houses, associations and foundations, and stronger and more mature galleries to ensure the market has strength.”

Bob Shi thinks that Chinese contemporary art could prove a good investment, but notes there will always be price fluctuations.

The recent slump was perhaps a necessary brake on an over-heating market. “You had works by 40-year-old Chinese artists commanding in some cases higher prices than works by masters such as van Gogh. The slump was a reality check,” he comments.

While it may be years before prices see such heights again, the late boom years did have an influence that could lay the groundwork for a quicker turnaround. During that period, for the first time ever, the general Chinese public gained access to contemporary art. In locations such as 798, the interest is still evident, with locals attending openings, asking questions and traipsing from gallery to gallery.

“There are two distinct buying markets: one local and one foreign,” concludes Sophie McKinnon of the Ullens Center for Contemporary Art. “The foreign buying market certainly has slowed down a lot, but the Chinese buying public is still very active, still buying and much, much more curious than ever before.”

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Photo Credit: Yuan Yuan