



# Crazy Shady Rich

Controversial art collectors, NFT whales, money laundering and more.



Reena Devi

Apr 8, 2021

ooo

1



You're reading Reena Makes Lists, a weekly newsletter by [arts journalist Reena Devi](#). This post will go out every Thursday, unless said writer is swamped with commissioned assignments or life in general. If you like this, subscribe [here](#).

## In this ninth issue

1. Controversial Art Collectors & NFT Whales
2. Curious: Anti-Money Laundering Regulations
3. Worthwhile Reads Beyond the Art World: Media Edition



The rich cannot seem to [stop](#) getting richer. (All gifs via giphy.com)

**It is a truth universally acknowledged that a person in possession of a good fortune must be in want of an art collection/gallery/auction platform/blockchain registry etc.**

- The Winklevoss twins became billionaires this week, thanks to their blockchain investments such as digital art auction platform **Nifty Gateway**. Check out the rhetoric from these tech bros in their **Forbes profile**:

“We actually call our employees astronauts,” Cameron says. “We’re all astronauts building on the frontier of money and the frontier of art and the frontier of finance.” Accustomed to finishing his brother’s thoughts, Tyler chimes in: “We feel like we’re on a spaceship, exploring a new frontier.”

- Even as NFT prices dropped in the beginning of April by almost 70 percent from a February peak, NFT trading platforms were raising millions of dollars and more.
- Interestingly, **Nifty**’s “cryptographic contracts” do not include royalties. Also, **Nifty** and other such NFT marketplaces don’t pay sales tax because there are no such regulations currently.



- Singapore based Chinese crypto investor Justin Sun, who was outbid in the last moments of *that Christie's* sale, picked up a **Picasso** and a **Warhol** at Christie's 20th-century, Surrealist, and contemporary art sale, live-streamed from Hong Kong and London end of last month.
- It seems Sun might have plans to “create a blockchain registry for NFTs of the world’s priciest works of art.”



Did NFT whales move to Singapore after watching *Crazy Rich Asians*?

- Petr Kellner, the Czech billionaire who died in a helicopter crash in Alaska last month, is also known as the art collector behind Prague exhibition spaces such as **Josef Sudek Studio** and **Václav Špála Gallery**, and one of the largest collections of photographs by Josef Sudek.
- However, in a move flagged by international press-freedom groups, Kellner recently bought a majority stake in the company that owns media networks all over his country and neighbouring region, “at least in part, with the goal of softening his negative image as a backroom political heavyweight.”



- Speaking of controversial art collectors, a year ago, Stefan Simchowitz started a digital division in his advisory service, guiding artists on making NFTs and more. This year, he's jumping on the brick-and-mortar gallery bandwagon with a new 1350sq. ft space in West Hollywood.

## Curious: Anti-Money Laundering Regulations

- Last week, as part of ongoing efforts to prevent money laundering through art sales, UK's **National Crime Agency** put out an "amber alert" to all London galleries, after receiving an "inadequate response" from art dealers in terms of filing "suspicious activity" reports.



- In January, **US Congress** approved major reforms to its anti-money laundering legislation including measures focusing on the art and antiquities market.
- To be implemented at the end of 2021, the new laws will make it tougher for those using offshore entities and shell companies to hide their true identities when buying and selling art, especially high value works.
- Given increasing online art trades, the need to create digital systems that meet tightening anti-money laundering regulations and cybersecurity concerns looks set to become a major concern this year.
- After all, NFTs are not exactly risk free with issues such as straight-up fraud and wash trading.



(Via Buzzfeed/Disney+)

## Articles worth reading for their prescience in describing issues and developments in media:

- Endeavor, the media group which is a majority owner of **Frieze**, is making newsworthy moves such as filing for IPO status and adding (supposedly) smart money to its board.
- Digital media **Vice** is making major moves as well, detailed here and here, most notably opening an office in Saudi Arabia.
- A nuanced look at one of the biggest media companies in the world, **Condé Nast**, makes for a good read, with at least one choice quote the art world should take heed:

The Anna Wintours of the world don't understand what authentic representation means beyond a surface level...They saw a woman of color but didn't do the work to make sure she was the right one for this organization.

- The eye-opening **Vanity Fair** piece about infamous celebrity gossip account **deuxmoi** and consequentially, the entertainment media and PR machinery, is a real doozy, especially if you're fascinated with image-making in our time.

Thank you for reading the newsletter. Please share and subscribe. Feedback is always appreciated. You can also hit reply and email me with any tips, leads and typos.

1

Comment

Share



Write a comment...

© 2022 Reena Devi. See [privacy](#), [terms](#) and [information collection notice](#)

 [Publish on Substack](#)

Reena Makes Lists is on [Substack](#) – the place for independent writing