

THE SOCIAL LIFE OF ARTISTIC
PROPERTY

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ISBN 978-0-9844750-2-5

www.TheSocialLifeofArtisticProperty.com

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INTRODUCTION

In December of 2011, Caroline Woolard reached out to a number of New York artists to "discuss potential research projects that examine value and power in the art world." The meeting took place a few weeks after the evacuation of Occupy Wall Street protesters from Zuccotti Park. At that moment there was a keen awareness of organizational limitations in helping enact institutional change, as well as a desire to understand how the structure of the art world could be modified to better support an artist-driven culture of social engagement in a city.

These discussions, as they progressed, slowly gravitated toward the subject of space and property. The first and crucial step toward the creation of a sustainable and independent creative community is the availability of an unencumbered physical space. The Occupy experience was a case in point of the critical importance of having space—public, moral, sheltering, creative or otherwise—in which to enact the rights to freedom of expression.

New York City, as it is well known, could not have become a key center of influence in the arts without the conditions that allowed thousands of artists to move, live and work there. The way in which artists populated lofts and warehouses in different parts of the city over the second half of the twentieth century is an ever repeated narrative of art history about how buildings and collectives enabled performances and hangouts and experimental exhibitions that became greatly influential. Without romanticizing this history, it is easy to see how the past relationship between New York artists and their city contrasts sharply with the grim reality of today, where real estate interests often squeeze creative communities out of the urban grid.

Bearing this in mind, this group agreed to reflect collectively on a variety of instances where creative communities have managed to construct self-sustaining environments of their own, along with the

successes and failures these experiments generated. The original focus of the project was on physical property—stories of how artists lived alone and together, exploring the possibilities of community. We started to look at the property lives of artists more generally—from the idealizations of community and of collaboration amongst creative individuals, and rethinking of the basics of supporting an artistic practice, from the physical space to the economic parameters that sustain it.

Over the course of two and a half years, the core group included: Caroline Woolard, Pablo Helguera, Michael Mandiberg, Loren Munk, William (Bill) Powhida, Lise Solskone, Peter Walsh and Amy Whitaker. Some members of the group published and exhibited work from this conversation elsewhere. This volume includes contributions from Pablo, Caroline, Michael, Amy and Bill. Pablo chronicles the deep yet short-lived experiment of The Sullivan Institute, a community of individuals that included visual artists, academics and writers that was founded in the 1950s and which evolved into a secular cult. Caroline lived in and wrote about Ganas, on Staten Island, the oldest income-sharing community in New York City. Michael initiated a deep conversation with core members of a successful decades-old jointly owned building on the Lower East Side, and the collective projects that grew out of this shared space. Amy riffed on the idea of artists' resale rights to reimagine patronage for artists and to create a different kind of art investment.

Property for artists can mean physical property—home and studio and gathering space—and artistic property—ideas and collaborations and the work itself. Over the course of two and a half years, some parts of our conversation swung wider into more general ideas of property, often in relation to the real constraints and complexities of gentrification, corrosively profit-motivated real estate markets, artists' contracts and the changing nature of the art market itself. Many stories of artists inhabiting real estate environments and artists making work share a narrative arc: In

physical property, artists are often renters who create value and then must move when rents increase beyond what they can pay. They contribute value and get priced out, unless they are owners. In artistic property, the appreciation in the financial value of works, especially in the upper echelons of the art market, often goes to collectors and investors and not to the artists themselves.

Owning property sounds kneejerk capitalistic. But some form of ownership, shared or otherwise, can be prerequisite to generosity and a foundational support for creation. Artists have been, and can be, as inventive in creating environments as in making work.

This collection of essays and stories is a record of the group's conversation and an engagement with artists' questions of how to live, how to live together and how to live in relation both to other people and to the obstacles and vectors of the market economy itself. These are stories of invention and experimentation with property—and its financial, social and artistic life.

The book is organized into two sections: Learning and Action, as the group produced three pieces of writing about experiments in group living (The Sullivan Institute, Ganas, and Rivington), and three proposals for the future of artistic property: intellectual property rights (Ownership for Artists), living space (To Be Determined) and studio space (The Yellow Building) together with artwork (The Property Group). Bound together, here is a record of the group's research and an invitation to consider the forgotten histories and plausible futures of the social life of artistic property.

I. Learning

The Sullivan Institute: The Fate Of Art
In The Structured Society

Ganas: The Persistent Anomaly

30 Years At 135 Rivington

THE SULLIVAN INSTITUTE: THE FATE OF ART IN THE STRUCTURED SOCIETY

Pablo Helguera



In social environments where the arts have a presence, the idea of building a supportive community is often regarded as a key factor. It is difficult, if not impossible, to conceive of a context where creative or artistic production and thinking would emerge without the social infrastructure that would nurture and support it. Furthermore, art

history proves that art making is largely a dialogue amongst practitioners who find themselves in the same time and place, and who support, challenge and help define each other through collective reflection and debate. Artists naturally gravitate toward each other; they move to similar neighborhoods, they frequent similar public spaces. From that verifiable fact (proved by the history of gentrification in New York City for example) emerges the fairly established assumption that fostering an autonomous art community is a positive and laudable goal, as well as a necessary step to attain the qualities that ostensibly are brought by it, such as independent thinking and the collective furthering of the art practice as a whole. Finally, and particularly in response to the pressures of the art market, the creation of a self-sustainable art community becomes particularly attractive, as it may have the ability to withstand the fluctuations of art trends as well as the kinds of art favored by the market at any given time.

In 1957 psychotherapists Saul Newton and Jane Pearce officially founded the Sullivan Institute for Research in Psychoanalysis on New York's Upper West Side. Newton and Pearce had worked at the William Alanson White Institute, founded in part by an influential psychologist named William Stack Sullivan. Some years after Sullivan's death, Newton and Pearce left the Institute and founded their own organization, naming it after Sullivan with the purported idea of following his theories. In reality, the Sullivan Institute would take a very different and distorted approach, with no semblance whatsoever to Sullivan's original research.

Building the Sullivan Institute in the context of the countercultural revolution of the 1960s, Newton and Pearce sought to create a community whose members would disdain decadent bourgeois conformity and convention and reach superior psychological status (and, by implication, superior moral status) through radical processes of regression, corrective experience and personality restructuring.

I stumbled on the story of the Sullivan Institute by accident, in 2009, while doing research for another project. The story was of great interest to me in its dystopian dimensions, and because, for all of the public awareness of it in the early 1990s, the Institute's connection to the New York artistic community seemed to have been forgotten and appeared to remain unexplored. I believed there was something to be learned from this experiment, although I wasn't sure what exactly.

The research began at a moment when I had been asking myself what it means to create a community of interpreters and makers of art, and under which conditions the construction of an intentional community benefits artistic thinking. It is clear that many important moments in art emerge from the result of a supportive community that fosters creativity: The Bauhaus, Black Mountain College, the Residencia de Estudiantes in Madrid (where García Lorca, Dalí and Buñuel first met) and the Sogetsu Art Center in Tokyo in the 1950s are only but a few examples.

Granted, to believe that the anomalous experience of a therapy cult in an Upper West Side building in Manhattan would help inform the debates around art as a community-building mechanism would seem misguided. But at the same time, there is a fine line between the social environment that promotes these kinds of progressive creative experiments and the moment in which this environment suddenly becomes detached from external affairs, rejecting whatever is outside of it as if it didn't matter, and later pretending it didn't exist. This is an important perceptive difference that comes to haunt the art world constantly: Is contemporary art nothing but a solipsistic conversation amongst individuals that has lost any relationship with the real world, or is it a necessary construction that allows us to properly interact and affect it? At what point does art as a language stop becoming a way to understand the world and when does it become instrumentalized to serve as a tool of deception, propaganda or distortion of one's own reality?

While it is possible to point at historical moments during which strong art communities have emerged—turn-of-the-century Vienna, Paris in the 1910s, Mexico City in the 1940s, the West Village in the 1950s—it is remarkably difficult to definitively ascertain what variables made them so, and much less possible to determine whether these could be recreated artificially at a microscopic scale to reproduce their effects. Certainly the long history of temporary models of support—such as artist residencies—attest to tried and true models of temporary communities that allow for artists to do their work; these models, however, by virtue of being provisional transient, will not concern me here. The key question in this regard, when we speak about cities and artists producing work in the span of a lifetime, is how and whether self-sustainable communities are possible and what conditions are necessary for them to exist.

For that reason, to truly scrutinize the idea that creating a self-sustainable community is inherently positive, and that these communities foster independent thinking, it is necessary to place art communities alongside the social list of interest groups in general, not just groups with artistic interests.

An interesting aspect about those who see themselves as part of the "artist class" is that they have a simultaneous self-perception of both outsidership and exceptionalism. First, artists are accustomed to being seen as misunderstood and breaking the regular patterns of social behavior, thus embracing a social role of outcast or rebel. Secondly, artists see themselves, in some way or another, as exceptional, existing in a privileged social position that mainly is about observing the world and either describing it or acting into it as part of their profession, and this description or acting—usually their art work—will theoretically have repercussions that go beyond the everyday, ideally to something more lasting and even transformative, in their time and in the future.

Seen up close, these differential aspects of an art community are not too dissimilar from the ones that have traditionally defined

breakaway religious communities, sects or cults. Usually led by a strong set of beliefs, religious or spiritual groups break with the mainstream with the conviction that they are different, and with the awareness that their beliefs, as damning as they may be for the outside world, are also redeeming from their own perspective.

It is no my intention here to attempt to draw a parallel between spiritual and art communities; while I do believe that much is to be learned about art communities by doing a comparative study of the sense of utopianism common among certain religious groups, my goal here is merely to point out that that very sense of exceptionalism that is engrained in art communities prevents them from seeing themselves with a greater sense of criticality about the downfalls of establishing self-sustainable models of existence.

Part of the reason why it may be difficult for us to think of art communities as groups that may be prone to the same pitfalls of authoritarianism and cult following as some religious groups, is that artists tend to subscribe to progressive philosophies that praise ideals of democratic participation, free expression, and celebration of difference. These beliefs stand in contrast with a fundamentalist, hierarchical or largely homogenous group associated with places like the Bible Belt.

The potential problem with these ideas—namely, that creating a self-sustainable art community is an inherently positive goal, and that such a hypothetical community would eventually foster the kind of independent thinking that normally emerges from artistic thinking—is that they remain largely untested, and while we normally rely on anecdotal evidence, we don't have, at the time, a methodical understanding on how the goal comes to be.

In this context, the case of the Sullivan Institute is of particular interest, and perhaps a cautionary tale. While not a group that originally, nor ever saw itself as an art community, *per se*, it attracted artists from its inception and throughout its considerable

lifespan (1950s-1990s), actively courted artists and other creative types as its ideal membership and toward its later years fully engaged in cultural production in the form of a theater company known as the Fourth Wall Theater Company. The Sullivan Institute, originally conceived as a therapeutic community, became over the years an authoritarian cult sharing many aspects of religious cults such as brainwashing, psychological and sexual abuse and general control of its members and their families. The difference in this case was that the Sullivanians, as they became known, were not a right wing conservative group in the U.S. heartland, but instead a radical leftist, anti-war, activist, and highly educated community living in the Upper West Side of New York City.¹

At first the Sullivan Institute resembled other similar research institutes in the United States, but over the years the group evolved into a radical psychotherapeutic community, led by Newton's and Pearce's ideas of interpersonal relationships and social change, which are summarized in their 1963 book *The Conditions of Human Growth*. The original members of the community were middle to upper class New York intellectuals. Newton and Sullivan were interested in recruiting highly creative and influential individuals, as they believed that they would have both the highest capability of self-transformation under their therapeutic ideals and the greatest power of influencing others. While the institute itself was not well known, many of its original members in its formative stages were extremely prominent and successful artists. They included critic Clement Greenberg, artists Jackson Pollock, Kenneth Noland, Larry Poons, Jules Feiffer and Jules Olitski, and writers Richard Price and Richard Elmann, amongst many others.² The Institute was widely known in the 1950s for its Saturday night parties and sexually free summer house in Amagansett, Long Island, where many of these artists and writers lived already, making it easy for the Institute to attract them.

Newton was reportedly a compelling individual with whom many

would develop strong attachments. Reportedly, his influence on artists was such that he would be able to intimidate artists who were highly regarded in the outside world, and even convince others to leave their artistic career altogether in service to their community. Writer Richard Elman recalls:

I was at a group banquet in Amangansett, L. I., on Water's Edge Road. I was the only non-shrink at the table, a new recruit. Blanche told me that Saul really liked writers, but he seemed wary of me, and I later learned he thought I was out to do a job on the group in the press.... People seemed to be unusually mellow, some were holding hands. The man opposite me had just finished explaining why he'd given up his career as a painter to become one of Saul's therapists.

"I really love Saul," he said.

"You mean you had no talent?"

"I love Saul," he said. "What else matters?"

"Talent, sometimes," I replied.

"I didn't love myself that much, the man said sheepishly."

[...]

...I can remember watching a celebrated modern painter with a big six-figure income and galleries showing his work around the world cower before a withering summary of his character structure and try to appease the old devil [Newton] with a gift of a painting worth thousands of dollars.... "You are a bunch of desperate fakers, liars and scam artists," he would tell the artists, "and you know it, which is why we talk."³

Gradually, according to ex-members, Newton would transform the group into a reclusive community where members were pressed not to create new relationships outside of its confines.

Over the years, the Institute would evolve into an isolated and highly authoritarian community whose mission was the enlightenment of mainstream society. The Sullivanians rejected traditional Western family values, in particular the nuclear concept of family. The group's teachings held that traditional family ties were the root cause of mental illness. As such, members were asked to break ties with their families (their parents and their children) and to be intimate amongst each other in a communal, sexually promiscuous lifestyle. As a result, many of the members lived together. Living arrangements were not random but instructed by Sullivan Institute psychotherapists in consultation with Pearce and Newton.

The custom of "dating" was instituted, in which individuals would schedule times with other members to do particular activities— anything from studying to having sex. Monogamy was considered an outmoded construct and thus members were asked to have multiple partners and not to turn down any solicitation of sex from within the community. Therapists and patients alike would participate in sexual "dates." Gay or lesbian members were asked to participate in heterosexual sex and vice versa.

Both Newton and Pearce were the products of a radical left-wing subculture in the United States. Newton claimed to have been part of the Lincoln Brigade—an American group who fought on the Republican side during the Spanish Civil War. Both were members of the US Communist Party whose hierarchical structure reflected that of the Sullivan Institute.

In the 1970s, Newton divorced Pearce and married filmmaker and playwright Joan Harvey. As New York's Upper West Side became gentrified, the social and political stances of the community hardened. Mainly due to Harvey's own personal interests and artistic aspirations, the leadership shifted the focus of the community to radical activism through the creation of political films and plays.



The Sullivans founded the Fourth Wall Repertory Theater, located at 79 East 4th Street, now home to the New York Theater Workshop. All productions, made between 1978 and 1985, were based on plays written by Harvey, and the members of the community were required to support the production. The hierarchy of the community started reflecting the hierarchy that the members were having in their roles in the production.⁴

Harvey's plays addressed social problems revolving around the family nucleus, consistent with the Sullivanian philosophy. A reading

of these works reveals a rather amateurish handling of drama, plot and content. Harvey's plays operate mainly at the level of propaganda and didactic message; without much complexity of storytelling or language, characters mainly play out scenarios affirming whatever set of values the community was espousing at that given moment. More than art works, the plays are helpful in understanding the ideas of the leadership of the Sullivan Institute at the time, that is, Newton and Harvey. As Siskind has pointed out, the critique to democratic leadership that many movements in the 1960s aspired to make was regarded negatively by Newton and the other leaders—and ostensibly justified the manipulative and hierarchical character that they gave to their community. That critique receives a strong rebuke through the words of their characters. In one of the plays, *Ride a Red Horse*, from 1979, a character speaking about one of these revolutionary organizations says:

*It's against all centralized decision-making. It stops action by using consensus procedures. You know, a consensus can be blocked by a single goddamn objection. A single objection? Necessary radical actions are delayed, avoided and destroyed by any apparently well-meaning, naïve, or just hateful, good-looking jerk.*⁵

Over the years, Harvey's plays shifted their emphasis from family conflicts to larger political and activist causes—a shift that was also true of the community itself. As Harvey became more influential in directing its agenda, the group was gradually mobilized to attend to radical left causes such as anti-war efforts and environmentalism. This emphasis is also clear in the three films produced by the community—also scripted and directed by Harvey. They addressed issues such as the dangers of nuclear energy, (*We are the Guinea Pigs*), armament proliferation (*from Hitler to M-X*) and grassroots activism (*A Matter of Struggle*). The films, in formal terms, are similarly as crude as Harvey's plays, presenting lines of argument that are not too uncommon of radical activism of the period. Yet in

their nature of documentaries it is possible that they may have worked better as a vehicle for their political ideas.

It is interesting to note the shift of the role of art in the community on the first phase of the Sullivan Institute to the era of the foundation of the Fourth Wall Theater Company, and how it is directly related to the receding role of the introspective focus of the community. In the 1950s and '60s, creative individuals were attracted to the community but the therapeutic process, instead of nurturing their creativity, subjected their members to a kind of self-examination that would make them hyper-critical of their individuality and their creative selves, up to the extent of altogether abandoning their individual quests for art (as related in the Elman anecdote). During the so-called, as per Siskind, "revolutionary" period of the community (1979-1983), art started to play an even more important role, and yet it was an entirely instrumentalized one, one under which the personal introspection of the artist, as initially treated in therapy, lost precedence over the collective and mandatory participation. Even in the case of Harvey herself, the plays in themselves hardly carry any formal or technical characteristics that would in any meaningful way make them be considered an aesthetic statement by a playwright; instead, they are very literal manifestations, in simply dramatized forms, of the tenets and talking points of the leadership of the group (at the time led by Newton, Harvey and Helen Moses).

In the last decade of existence of the Sullivan Institute, the community changed once again, on the one hand hardening their political stances and their isolationism, partially in rejection of the societal changes in the Upper West Side neighborhood that surrounded them and partially due to a series of apocalyptic and paranoid visions that the leadership had during those years, which included the rise of AIDS, and prompted the community to stop accepting new members. Then in his eighties, Saul Newton's physical and mental health quickly deteriorated during those years,

resulting in him becoming increasingly erratic and violent with the members (even though he already had a history of physical violence). In the later years he was gradually removed from the leadership of the community. This fact, joined by the defection of some lead therapists and other prominent members, started to fragment the community, and its membership, which in 1985 was around 225 individuals, started a consistent decline.

The likely mortal blow to the community resulted from an article in the Village Voice in April 22, 1986, entitled "Escape from Utopia"), when an ex-member who had been in a child custody battle with the community hired private detectives and in the end resorted to contact the press about the repressive practices of the group. The media scandal exposed to the members of the dishonest financial practices of the leadership (who handled the vast majority of the finances of the community), stigmatized all members, resulted in investigations into alleged professional misconduct by its therapists and in an organized opposition by disaffected former members who described the group as a manipulative "psychotherapy cult." The formation of "PACT" (Parents Against Cult Therapy) around that time in New York City resulted in no small measure as an organized response to the public exposure of the Sullivanians.

Saul Newton died on December 21, 1991. Shortly after Newton's death, the Sullivan Institute membership dissolved, although some groups of members remained together led by individual members of the leadership. The building where the community lived was foreclosed and now houses a day school. Many of the ex-members of the leadership today are still alive and participate in the art and cultural life of New York. Some have not consciously left the community, while others have tried to reincorporate into mainstream society. To this date, most of them will not speak about their involvement with the Sullivanian experiment.

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When I first began my research on the Sullivan Institute in 2009, I contacted Amy Siskind, the author of the seminal Sullivan Institute study, who was most helpful with my research. Yet, with the exception of Siskind—who did have a direct life experience and links to the community—I shied away from contacting actual members of the Sullivan Institute, limiting myself for the time being to the production of a small video that mainly narrated the known story of the community by showing the buildings where it was located.

As fate would have it, it would be the community that would contact me first. One of the sons of Saul Newton had walked into a downtown art space where the video was being shown and left me his email. He was also an artist, adding in our first exchange: "As you may imagine, I have been making art about my connections to the group." Eventually we met for coffee. Mike Newton was born to his father in old age. It was clear from the onset that growing up in this community, and the later effects of this fact, had been a defining life experience for him. We discussed my interest in the Sullivan Institute, and the research that I was making. He expressed discomfort, as an artist, that someone else (me) would be making a work about a subject that directly concerned him, stopping short of questioning its validity. He was working on a video himself about the Sullivans, of which he later sent me a few stills. I responded to him that a work coming from his perspective would be something that neither I nor anyone else would be able to replicate, that there was no reason to be uneasy about two individuals pursuing a common subject. He was friendly overall, willing to engage, and we talked about the possibility of collaborating on the subject. The encounter, if simple, had a powerful effect on me: from having studied a subject purely through documents, I had now seen it through the eyes of a member directly implicated in the legacy of this experience, someone no other than an artist.

Then again, the way in which Saul Newton and his followers

regarded art making can be seen as a cautionary tale in many ways. One of them may be how the artistic process provides answers about oneself and models of life to others; in particular the instrumentalization of theater by the group in its "revolutionary" phase allowed for none of the normal attributes that one may expect from the artistic process, namely, to explore the potential contribution of those who collaboratively partake in making the work, and on the interpretive power of those who experience it. Furthermore, art as a mere vehicle of a political message—or philosophical or any other kind of message, for that matter—becomes nothing more than an empty statement that can rarely carry a life further from the places where it is expressed.

This is not something exclusive of a group such as the Sullivanians: It can be said of many artist communities both inside and outside of the public realm who regard art as a mere codification of their agendas. The second takeaway from the observation of such a strange social experiment is the paradox that communities that are usually formed with a purpose in mind—in this case, to pursue a freer form of life—become instead the opposite of what they once intended to be (in the case of the Sullivanians, a prison of authoritarian domination where members were subjected to imposed financial, sexual and other social rules). In such cases, the sustainability of the community system becomes so important that any other factors become secondary. It may be a disquieting idea to think of the art world as such a social system, one where the survival of its economy and the legacy of its history compels us to act in ways that in the end are not altogether congruous with real life.

In the twenty-first century, one of our collective cultural challenges is to determine the precise role that art will have in society, and the extent to which it will function as a vehicle to create better worlds. If the future of art is not to integrate itself in the collective minds of the larger society, if instead its purpose is to promote the creation of

self-enclosed and solipsistic communities that don't desire to concern themselves with external reality, as the Sullivanians did, it will be difficult to defend the art world's necessity, let alone support its survival.

1. Many of the references in this essay will refer to the only substantial sociological study of the Sullivan Institute to date: "The Sullivan Institute/ Fourth Wall Community: The Relationship of Radical Individualism and Authoritarianism" by Amy B. Siskind. Westport, CT: Praeger, 2003. ^
2. Siskind, p. 11. ^
3. Richard Elman, "Newton's Rules", The Society for Psychoanalytic Psychotherapy Bulletin, 6, 1991, p. 33. ^
4. Siskind, p.95. ^
5. Joan Harvey, Ride a Red Horse, 1979, cited by Siskind, p. 100. ^

GANAS: THE PERSISTENT ANOMALY

Caroline Woolard

When I was a toddler and Ronald Reagan was president, six people in Staten Island started an intentional community called Ganas. For Mildred Gordon, George Caneda, Jeffrey Gross, Susan Grossman, Michael Johnson, Bruno Krauchthaler and a few more, what began with the counterculture of the '60s became a lifelong examination of the ways we typically live. Each person spent the '60s and '70s living in different kinds of groups. By the end of the '70s, the founding group congealed in San Francisco and moved to New York City to establish an early outpost on the Lower East Side. In 1983, the group moved to Staten Island permanently with the purchase of a building for around \$50,000.

Thirty-five years in, the oldest intentional community in New York City remains a vibrant experiment with around seventy full-time residents. The founders have been living, working, sharing money—collectively, they own and run three stores—and talking through challenges for more than three decades. Responsibilities for cooking, maintenance, cleaning and coordinating are distributed between members of the community who choose to work inside the community rather than outside. As do the majority of residents in exchange for residence, rather than paying \$720 and "working outside."Ganas is a living example of commitment to mutual aid, geographic place, voluntary simplicity and collective-self management and health. All members share the belief that life without a landlord, boss or coercive bureaucracy is both possible and desirable.

I wanted to find out, what keeps this project alive? What holds its membership together? Working with a member of Ganas, Michael Johnson, on SolidarityNYC.org since 2010, I have been visiting and talking to members of Ganas for the past four years. I began interviewing members of Ganas in 2012. With all interviews, I began

by telling the truth: I'm thinking about moving to Ganas permanently. If I don't move to Ganas, I intend to join another intentional community or cooperative house in New York City.

For two weeks in August 2012, I rented a room at Ganas. The room reminded me of my grandmother's house—the pink crocheted bedspread, the bamboo-framed prints of Asian women with parasols on every wall, the smell—that is, until I hid them away in a dark corner of the closet. But hiding decorations proved to be the beginning of a conflict for me, a dissonance between Ganas' aesthetics of thrift store frugality and my own loft-living dreams; Ganas' dedication to conspicuous parsimony and my art-school desires for roomy industrial spaces (despite the post-industrial economy that makes these spaces impossible). Could I be seduced by the beauty of group processes at Ganas? Could this beauty overrule my old recalcitrant aesthetic ideas? Could I reshape my desires and move in?

Caroline Woolard: Did you know you'd be doing this for thirty-two years?

Jorge Caneda: No. We did not set out to start a community. We set out to experiment with a transformation process. In different ways, we all carried a deep sense that the culture we had grown up with—which was very ingrained in our beings—stood in the way. We were not happy. Susan and I had been in the protest movement; Jeffrey was more conservative and had come to conceive of the possibility of alternatives in his high school years; and Mildred had been in the human development/human growth field for many years.... She's thirty years older than us, more or less. There was a yearning or an intuition of a new place that could be created by transforming ourselves...because you cannot force a change, you cannot create the change, because we are tainted with elements of the culture we grew up with. So we must transform ourselves. The process is one of personal transformation within a community context, in relationships.

Michael Johnson: There was no intention to become a cooperative or solidarity institution of any kind. However, during those years, and the following ten, an intentional community of multi-leveled membership did evolve around us, which we, along with some others, have managed and sustained. Currently there are eleven members of the core group: six who have been together for thirty years, three for twenty, and two for ten. Two retired founders also live at Ganas.

CW: How did it start?

Michael: We came together in 1983 with the shared intention to set up a living situation in which we could learn to cooperate. Each of us in our own way had come to the conclusion that for the most part people simply could not generate enough cooperation to solve problems together well enough to realize the potential of important relationships and joint projects. And that the more exciting possibilities usually ended in painful failures. We included ourselves as good examples of the problem. So we became a live research laboratory in which we were both the "mice" and the "lab coats" exploring why we and others have so much difficulty talking honestly with each other. This was virtually a 24/7 commitment for twenty years.

CW: How did you open the stores and become a "solidarity institution"?

Jorge: The stores started in 2008 as an everything shop, a tchotchke place. We sell what nobody wants, they throw out, we fix it, we sell it for very little. We gonna be recycling, we gonna be saving stuff from the dump. We are gonna use our creativity, our imagination, our love for things that are not wanted, for ugly things, and we are going to make them beautiful. We are going to provide a service for people who have very little money...providing the possibility for a little acquisition and then invite them to a different

community experience in the stores. This was the objective: to use the work situation as a new stage, a new gestalt to work on our relationships, on issues of hierarchy, issues of collaboration, on the issues of learning to deeply listen to what is meant—not what is said or heard...where people could find a different contact kind, where people would be treated with love, with respect: All of our businesses had this objective. This grew into Everything Goes [Ganas' furniture store]. Our purpose is not to make a profit, but to cover the costs. To cover the people that work there. We need to provide income for the people who come and join us.

CW: How do you learn to cooperate?

Michael: All of this learning occurs in the context of constant flows of varied face-to-face communication about daily logistics, policy-making, personal experience, relationship issues, work projects—that is, everything in our shared life. In our formal conversations the power dynamics in our relationships can always be made the focus, shifting from the content of an issue to how it is being discussed and the "hidden" dynamics going on. This work involves ordinary people building unordinary capacities to doubt their perceptions of reality and then use that as a source of self-confidence.

CW: Doubting perceptions of reality?

Leslie Greenwood: I think that it's very countercultural to approach "conflicts" by finding out what is wanted and what is possible instead of who is right and who is wrong and what should the punishment be. A culture of taking responsibility for our own experience.

CW: If you're talking about counter-culture, what is the culture you want to counter?

Jorge: The existing culture provides very strong contexts for alienation—from ourselves, from our bodies, from each other, in work, in love, in creativity. Alienation shows up in all sorts of ways: rivalry, jealousy and other pain structures. There were some of us

thinking: *Maybe humans are so pliable. There are so many ways to be human!* We thought: *Maybe we can transform ourselves.* And in transforming ourselves, we will create a new context. This is not a revolution against anything. This is a revolution for love, for contact, for opening up, for attending to what humans can become.

CW: So, you're building community?

Jorge: When we started, we didn't think of ourselves as a community. We were an experiment. We didn't think we could create structures yet. The only goal was experimenting with our connections with each other in order to understand how we were embodying this reactive, status-oriented condition. You know, "You don't talk to me like that." Or, "Why are you looking at my preferred female partner like that? What do you want?" On and on. So we're learning to come to a place of trust. Freedom really. Freedom from all the shackles of pain and all the difficulties we have ingrained in this culture. And we've made significant progress, we've learned a lot.

CW: In thirty-two years talking together, I bet you have.

Jorge: We accept that we have this radical group at the center, that it is experimenting with learning to tell each other the truth—not "The Truth," but the truth I feel right now. We want to ask the unaskable questions. Like, "I sense this is happening, is it?" ... "I feel ashamed." ... "I feel totally alienated." ... "I have this great antagonism against you right now." This is the core experiment.

CW: Is this why it's called Ganas?

Michael: Ganas is Spanish for "motivation sufficient to act." We've found that solving problems together gives us the "ganas" and satisfaction that makes community living sustainable. Our purpose is to bring reason and emotion together in daily problem solving, in order to create our world, with love, the way we want it to be.

CW: On your website you speak of "Ganas people." Is Ganas a cult?

Jorge: Some of us had had experiences of cults. I had had the experience of the Catholic cult, the Communist cult, the Hippie cult, in some ways. What do I mean by a cult? A set of beliefs that create, in a way, an us-versus-them kind of thing. We have an understanding of both the need for the creation of a separate space—to create something new—and the danger of righteousness: We have a better thing than you. So we were aware of how this cultish thing happens as people close themselves to the outside. We came to New York in part because we wanted an open situation. We wanted lots of influences.

CW: Could other people make something like Ganas?

Tom Reichart: Lots of people come here to ask us that, but Ganas is only a model of itself.

Jorge: I'm not much for speculation.

CW: Well, can you at least tell me how you did it financially?

Jorge: The money to do everything we have done comes from the core group. So some of us in the core group had jobs outside, and we pooled all of our resources—money, time, etc. Some of us stayed at home, and made the community, made the process work. From 1979 to 1986, I worked full time. When we moved to Staten Island, I would commute. So Monday through Friday from nine to five, plus commute, I would miss the process, but I was providing a lot of the money. I stayed in contact by telephone, and I was consulted and stuff, and only at night would I join in the process. Susan did that too. Ellen did that for a while too, as did Julie.

CW: So the core group funds everything?

Jorge: Out of all the monies, at first, 100% of the income came from

core group monies. Then, another revenue stream came from people who lived with us (who were not pooling income). We came up with the "share of the expense" number by adding up what it costs to run the household and dividing it by the number of people. These people worked outside and joined us when they were home. Then in 1983, out of core group money, we started a store. The money and work that non-core group people provide goes to cover expenses. We do not make profits. The core group investment in infrastructure—buildings—does not generate any returns. That's never the point, but the properties do appreciate—or sometimes depreciate—in value. We are into covering costs, not accumulating liquid assets. We invest cash in things that are useful. So up till '83 we had core group income stream and resident income stream. From 1983 on, we started having the stores' income stream. This helped us move from 100% core group income, to 80% core group and 20% residents, to 60% core group, 20% residents, 20% stores, and so on, until it became balanced.

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From eight AM to ten AM every morning, in sessions known as "Planning," the entire Ganas community is invited to talk openly about interactions, feelings, motivations and community problems. One morning, I attended. The community only has four rules: no violence to people or things (though they support meat eaters), no freeloading (you must pay or work), no illegality (no drugs,), and no non-negotiable negativity. These meetings are also where the considerable logistical detail involved in coordinating a seventy five person community are hashed out.

The room where we gathered for Planning has a low ceiling, about eight feet tall. (I'm 6 feet tall, so when I entered for the first time it felt like I might have hit my head; what seemed like a basement turned out to be the first floor.) I saw a row of thick wooden shelves with lights illuminating a stone wall, an upholstered maroon La-Z-Boy chair, a beefy leather massage chair, twenty golden hotel chairs

upholstered with plastic and wall-to-wall carpeting.

Food was arranged for people to share. There was a grey cafeteria tray with bread, bagels and a serrated knife; diner-style drip coffee (orange plastic spout on the glass carafe for decaf and black spout for regular); square tubs with containers of dairy products (cottage cheese, yogurt) and another tub for drinks (cranberry juice, soy milk, whole milk, skim milk). Another tub held tiny containers of spreadable things: peanut butter, tahini, jelly, butter. There was a woven basket filled with bananas, plums and oranges. Mangoes had been sliced on a cutting board.

The meeting started with eight people in the room. There was no facilitator. Later, I was told that Ganas' nonagenarian founder, Mildred, used to facilitate in a way that included a specific communication process. For the past ten years the group had been experimenting with different approaches to facilitation. Personally, I found the no-agenda situation less than ideal. Plus, there weren't many people at the meeting. I wondered if, perhaps because it was August, people were on vacation.

There was no central table at the meeting, which meant the floor was open for people to stand in. Everyone held a bowl of breakfast in their lap and kept mugs of coffee or tea on the floor by their feet. After thirty years of morning meetings I was amazed that the carpet didn't look worse! Michael Johnson sat in the massage chair. Another guy, in his fifties, sat in the maroon La-Z-Boy chair with a bowl of mango slices in his lap. I could easily picture him as a Republican—his look, a cropped haircut and big calf muscles, read military. Later I learned his name is Alex. Jessica, the woman to my right, had thin brown hair and glasses and wore a floral dress from the eighties. I imagined I might see her working at the post office, or as a substitute teacher. The woman to my left, with short black hair, looked exactly like the director of the medical residency program that she is. Her adopted daughter who is about eight years old opened a bag of banana chips and talked to the group. A man with a

salt-and-pepper ponytail sat up straight and ate from the bowl on his lap. He moves furniture for the store at Ganas. Another man, around fifty, stood out for his sense of style—cut-tailored jeans, a T-shirt that fit his strong body, a clean haircut, and frameless glasses. Of everyone there, his dress code most resembled mine. I think he works for MoveOn.org. Another woman, middle-aged with short hair and exercise clothes, balanced a big metal salad bowl in her lap. She was preparing dinner. She is part of OWS Staten Island, I learned. Her name is Leslie. A man with short white hair and seventies glasses sat towards the back. Lastly, Julie, who manages the houses at Ganas, sat in a floral dress and sandals.

When the meeting started, we each stated our intentions. I said, "To be present, and to listen." Next the meeting segued to one-minute statements, which at times seemed like non sequiturs—for example, the possibility of Ganas giving their clothing store to me. But then there were urgent issues to discuss: occupancy and plumbing; the feasibility of moving a rain-proof tent to the common garden; a reading about sour-versus-bad milk for the newsletter, and a farewell for a visitor from Naples, Italy. Furthermore, there were questions about who would make dinner for Mildred, and who would be on call if she needed help since her regular support member was on vacation. Finally, they went over the staffing for the next week, referring to the detailed Excel spreadsheet printout that we all got. Then the meeting was over.

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On August 24, 2012, after one of Ganas' morning Planning session wrapped early, Leslie asked if I'd like to interview the group. I said yes and asked if I could transcribe the conversation on my laptop. The group, some of whom I only knew by first name, agreed and I began.

**CW: Why do you think people sometimes label Ganas "a cult"?
What are people so afraid of?**

Jessica: I think it's a fear of seeing and being seen. People are afraid of it or don't know the value of it. There's also ignorance, and some people who aren't particularly curious about it. I've lived here for ten years and my son visited once and his wife visited, and her mother lived here, and she hated it. She barricaded herself up in her room, and she only came out when she was all dolled up. Her daughter also is very against it, and things I'm interested in, like polyamory. People are entitled of their preferences and lifestyles.

Aviva: I think one of the fears that people face is a fear of control—it's impossible to live with so many people and be in control all the time. I think that this brings up a lot of negativity towards an environment where doing it your way is not the main priority. Especially when the culture outside is so invested in the idea of "I did it my way."

Julie: People want to think of themselves as free-thinking and independent. In a community, things are related to going with the groove and with going along with the group. It's also true with the community at large. Common questions are: "Who's in charge? How come that person gets to tell me what to do? Where can I put my suitcase?" It's endless. This fear of being seen like a child, like you don't make the decisions, that someone else makes the decisions for you.

George Hunt: Who makes these decisions?

Julie: Decisions are made at Planning, and by managers of each area. For example, when Marcos wanted to have a cat, we had a policy of no animals and he brought it up. Decisions about money are made in the core group. Discussions are tedious and endless.

George: Sometimes decisions are made sneakily—someone just thought about it and then did it and thought, "I'll get permission to return it if no one likes it." In this setting you can't get away with that unless you actually solve problems. There's something about

reputation here that is very flexible but also indelible. If you get a reputation for not thinking things through, then power drifts away from you. I think most of the people who have power here are sensitive to the needs and wants of others. There's an ebb and flow of power that has more to do with being effective and helping the whole scene improve.

Aviva: Some people say it's easier to get forgiveness than permission.

Michael: People come into a situation where the possibility of having influence and being politically active is relatively more available than in most other places. However, they come in with that top-down mentality and they can't see those possibilities. So they project—as Julie said—that they make the decisions. You can almost see the projection as it happens. I think an intentional community in and of itself challenges people to take a look at basic assumptions they live with: family, monogamy, disapproval/approval. An intentional community is really "too weird" because we test what people are willing to re-think or step back from. The whole thing about "cults" is used to reinforce the threat of something that is "too weird."

George: It was impactful to me when the founder of Twin Oaks [an intentional community] came for eight months, and her comment was "Baaaaaaa"—we're all a bunch of sheep. There's this thing here where one person asks the important question and delves deeper. It doesn't feel good to be a sheep, but there's a way in which I am. My image of myself as an independent thinker was damaged. I had this image of being solo, but I'm not.

Aviva: I watched this movie about Orthodox Jews being really strict. They have a rabbi, and once he's dead, they still follow the rabbi. They have these rules and lifestyle, and it was very attractive to me. It was a relief not to make all the decisions, to trust the group. I have somebody who is very wise, and I can ask them to decide for

me. I think for the most part, I like this way of living in Ganas. I relent a lot of my decisions and choices to a lot of people. When I talked about it with a lot of people, they were so stimulated, in a bad way. "Where is your free choice? Where is your own command on yourself?!" But the way I was feeling—it was more a feeling than a thinking—was: It was a relief that I trust someone that they will do the right thing for me.

George: From the very definition, that's a cult.

Aviva: "Cult" is a bad thing, but, in my experience, this is not necessarily a bad thing.

Leslie: A cult is not just something to conform to or to subsume your desires in at any moment. There's pressure to conform. There's punishment. That's that dynamic of who's in charge and who's not. That triggered that for me. Whereas here you can leave at any time.

Jessica: Notice how threatened we all are by the word "cult."

Julie: If I stop at a red light with no one else in sight, am I being "controlled"? Control is a thing we deal with all the time. To say [Ganas is] "just a cult" minimizes the way we make decisions across our entire community. If I let other people make decisions for me, am I losing myself? I am not reactive to the word "cult"; it's about control. People think you're not free-thinking if you decide that someone else can decide something for you, but you are making that decision to give them control. There really are places where, if you don't follow the program, you can be hurt or killed. This is not about cult. It's about the importance of what we do, and how we do it together.

Jessica: I agree with you.

Julie: The issue is just as central here as it is to the guy outside who thinks we're weird, because people confront it every day.

"Who's the leader?" It has to be assigned to other people. This topic is even hotter in here than it is to the outside. It's about how we live together and what that means together. It's about how decisions are made: By group decision or by individuals? You have to confront it every day. How do we decide what chairs to have in the dining room? It's everyday. Why did they cook it that way? What's wrong with these people?

Tom: I feel this every day.

Jessica: It's a complex situation. Many decisions are made in different ways. Yeah, sure I get mad about some things. I don't expect this place to be nirvana.

Alex [Aviva's husband]: There's a piece here that I didn't hear today about blame and punishment. I still can't get my head around it. I still think if someone did something, someone did it. They should be blamed.

Caroline: Wait, I feel tension here. Is it the topic, me typing on my laptop, or what?

Alex: The tenseness is just interpersonal dynamics.

Michael: The word tension is misleading. It's that people are re-engaging in the discussion. It's a core issue every day.

Jessica: Many people are struggling with it.

Aviva: By default, people talk to the microphone, or to the laptop.

Tom: Or people talk to who asks the question. It has to do with the extent to which it becomes more interactive.

George: I find myself using shorthand terms for things that are very complicated, and people react to those terms. You have to choose your words very carefully and speak very slowly or else you're going to create a mess.

Leslie: Here you are with people you care about, or at least have some interest in, and they are presenting you with a challenge. It doesn't seem like you're wondering, "Is this a cult?" It's more like you're wondering, "What do we think about this topic?"

Tom: Polyamory is not for sissies. The way it happened here in the past was so open. I mean, it was so much the focus, that I wouldn't necessarily recommend it without that help and support and focus, and the idea that we're going to learn something from this. It's not about the ideal way to live, that sex needs to be with a number of people, it's not about that.

Aviva: For some people, having sex with a number of people is the point. Relationships are not for sissies. Monogamy is not for sissies.

Tom: If you could somehow objectively compare the two lifestyles, they might be equal. But the possibility of weighing each lifestyle objectively is nearly impossible. To practice polyamory, in my experience, requires so much that it's hard. To do monogamy, you have so much cultural backup, it's not as hard.

George: I came here for the polyamory.

Jessica: Most monogamous relationships are not monogamous anyway, so that rigidity is not working.

Tom: I think you have a much better chance of dealing with [polyamory] in an intentional community than you do on the outside. Of course, on the outside, you could get away with not spending so much time talking about it. That's a trade-off—and maybe it works better. It's a hugely time consuming thing to try to pull off respectfully.

Alex: I was on OkCupid and it was a little after New Years. [Aviva and I] emailed Saturday, we talked Saturday night, and Sunday I met her. We came here after we had done a little ferryboat trip. I came in

to one of these meetings and it was George Caneda and someone else coming to grips with their feminine side. And I was like, "Uh..." And then there was some argument with some big guy. For me, it was just like [*makes a face*]...no, it was like everyone was very casual and very open.

Aviva: When I met Alex, one of his first comments was, "This is the place where men are domesticated by women."

George: How did you know that?

Alex: Oh, I dated some woman who worked in the [Ganas] clothing store. She did volleyball, she was a swimmer or something. It wasn't very eventful. And I talked to somebody else. Deborah something. She had a weird twist on the place. It had to do with offhanded comments from people who I didn't really know. Yes, I said it, and not completely in jest.

Aviva: It was there until it was proven otherwise.

Tom: Were there any cult, non-cult ideas?

Alex: No, this woman had good experiences. What got me about the place was how open everybody was. The big thing here was that I'm very much opinionated and hold my own thoughts and don't hold anyone else's thoughts as the gospel. Like the song says: *I'm not often right but I've never been wrong*. I'm into the trust that this place engenders in people. I can trust other people, that they aren't working against me, whether I understand people or not. People try to come to it with a very open heart.

Aviva: For Alex—not so much for me—it's less about the theory than the practice. He had bedbugs in his apartment and he was invited by core group members to spend time here for a month while his apartment got cleaned. It had never happened that people offered so much despite knowing him so little.

Leslie: I asked Susan's mother what she thought of the whole thing and she said, "Oh, I think it's great." And here we are driving her to meet her family at the beach. And many direct-helps like this have happened for her. And then she said, "I couldn't live this way, but it seems very nice." She didn't go on. I didn't get a sense that she cared to really talk about it.

Aviva: In the beginning, it was very difficult for them that Susan lived here under Mildred. But thirty years later [*throws hands up*]...

Leslie: Right out of college I moved to a small community where I lived for four years, and it was pretty much consensus [decision-making] although there were people who had lived there longer, who were more studied and had more influence. In the course of being there, I visited at Kripalu, when there was a guru. There was some draw I had to that situation—it was beautiful in some ways—but there was also a sense in which I didn't want to have a guru. Then I moved to Twin Oaks where there wasn't any one person or cluster of people who had authority. There was a lot of authority thrown around but there wasn't one guru-type person. When I moved here I didn't really want to move here. I thought, "I don't want a guru." I thought, "Mildred's old. Maybe I can see her doing what she's doing and then see this place without her doing what she's doing." I thought she would die and that's what would change things. I didn't think she'd still be around. Mildred never called herself a guru and the people here never thought of her that way, but I did. I continued to react to her authority and respond to her authority like a disciple. And I don't mean a good disciple. I was like someone who supposedly had signed up but then was in a lot of conflict about it. I always knew that I had the choice, that living here throughout that experience was completely my choice. Mildred said I was in "humility training" to really get that I'm not the center of everyone's universe—and that what I say and think are not the most important things to everybody. I felt like that was in fact what a lot of people would call "humiliation training." Humiliation is very different from

humility. In a cult I think that's the big difference.

George: There's a degree to which many communities start around a central figure. I don't know whether that's someone with more verbal capacity and insight or just more commitment. Instead of guru you could say *convener*.

Michael: Whatever role you say, it's always triggering the authority issue.

George: I just want to comment that Mildred was monogamous.

Julie: She'd help with whatever relationships you had. She went from individual to individual. She thought polyamory was good but she couldn't handle the jealousy that came with it. I don't think it was a matter of practicing what she preached. She wasn't advocating polyamory. It was more that if someone wasn't happy with what they were doing, she wanted to help them.

Brian: We're not here now because of Mildred. We're here for completely different reasons.

Jessica: I wasn't here while she was constructing the place, but she asked those pertinent questions that helped construct the community. I wonder if that's a stage communities go through in order to handle problems.

Tom: I don't think Twin Oaks has gone that way.

Alex: I had heard that "feedback learning" went on at the drop of a hat. Now, if somebody wants to do something like that, you have to set it up.

Tom: To be more precise, it wasn't "feedback learning," but there was some advice process that was constant in nature. Every dinner, after dinner.

Julie: Always the goal was to introduce the idea of the availability of

people to want to hear what other people have to say. Always. That was always the basis. I think that was one of the appeals. You would bring your personal things, but they were discussed in a political way, because in some ways you were representing that problem. For example, I'm feeling rivalrous, and we would discuss the meaning of rivalry in that situation and in our culture....

Leslie: And then inviting everyone else who's present to comment on that particular thing that we're studying together.

Jessica: And then it de-isolates the individual.

George: And then there was a time when we were dealing with the alpha male.

Tom: That was the beginning of the end.

[Unattributed]: We were trying to advance the state of the world's knowledge about living together well. A big factor in my attraction to this place was that we are a lab, here to learn whatever we need to learn and maybe make it available to others. That was a little grandiose and we haven't really achieved that.

Jessica: Mildred's trying to write a book.

Alex: We went to have supper with her—or I thought it was just going to be supper, that it was just going to be thirty minutes. But I brought up my anger issues and it went until nine o'clock. She said, "I think we'll see each other again soon." She's very insightful.

Julie: I have never met anyone like her.

Jessica: Now she doesn't know what's going on in the community.

George: She had unusual talents that I found fascinating, and, yes, I might be a disciple or a sheep, but I know what I like and that's really interesting. And other people did too.

Jessica: The price of trying it is to look like a sheep. From the outside, people might see us moving in concert, but that's not how we experience it.

George: I wanted to embody her idealism. We all are ideal here in some sense; we've self-selected for that.

Jessica: It's a self-selecting group. I suspect it's a different group now than when Mildred was really present. I suspect it's different personalities that want to be here now. I came in after she'd been gone for a year and the consensus was, "Well, I guess we're going to make it without her after all." That was 2002.

Peter: I came in 2003 and thought you were here a lot longer.

Brian: I did too.

Jessica: Wow, that's nice to hear.... I was having a big struggle around feeling like I belonged.

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I am deeply grateful to Ganas members for spending time with me and allowing me to publish this article.

Ganas is open to the public every Friday at 7 PM. To schedule a visit, go to Ganas.org.

30 YEARS AT 135 RIVINGTON

Michael Mandiberg

On August 13, 2012, I sat down to talk to Hannah Alderfer, Marybeth Nelson and Andrew Tyndall about the history of 135 Rivington, their urban homestead in the Lower East Side of New York City. After graduating from the School of Visual Arts in the late 1970s, the partners purchased the uninhabitable building in 1981 and spent five years rebuilding it before moving in.¹

In 2003, the Real Estate section of the *New York Times* wrote about their project, with an eye to the social backstory that made possible the restaurants they opened: Clinton Fresh Food, Alias and aKa.²

When I met with them, I was specifically interested in the interrelationship of their creative practices and this decades long collective project: The partners met while studying at SVA, and of the six partners that completed the renovation, four of them were also founding members of the artist collective Group Material. I wanted to know how they came to their endeavor, whether it was or was not related to their creative lives, how they sustained the collaboration for so long, what their plans were for the future and what younger generations could learn from it.



Michael Mandiberg: I've always wanted to hear the story of this building firsthand. I have heard many stories about the building from Sherry Milner and Ernie Larsen.

Marybeth Nelson: Mostly from Sherry [*laughs*] about how they could have moved in at the very beginning.

MM: Yes, I've heard so many real estate stories from Sherry and Ernie, but I feel like there's something that is interesting with your story because, at the very least from the outside, it seems like one of the very few happy stories.

Marybeth: Well, for longevity at least. I do think we've lasted a lot longer than many other people that we've known... as an intact group, for the most part.

MM: I have questions, but I also really would love to make an oral history. Can you tell the story of the building?

Marybeth: Well, it was 1979, and we all needed a place to live. You [Hannah] had an apartment, Andrew had an apartment, were you guys living together at that point or no?

Hannah Alderfer: No, I lived in the East Village.

Marybeth: Actually, you know what I think really started us? We were doing Group Material, we were doing the gender show and we met Jenny Holzer, and she lived in a building on Ludlow Street.

Hannah: No. On Eldridge.

Marybeth: No, she bought on Eldridge, but at the time I think she may have lived on Ludlow, in that one next to Barramundi. They rented the entire building for like \$600 a month or something insane. We were looking at lofts at the time, but from talking to Jenny we

decided to find a place where we could all live. And then just went around walking the streets, finding empty buildings —

Hannah: Taking down addresses —

Marybeth: Writing to the city to find out who owned them and then writing them letters asking if they wanted to sell to us. [*laughs*] At the time, we were, like, what? Twenty-six?

Andrew Tyndall: Yeah, I think at that point, the conversion of commercial properties by artists into lofts, which happened in SoHo first and TriBeCa second, was over because, at that point, all the low hanging fruit had already been picked. So, this was actually very unusual at the time to be looking for residential buildings to move into rather than lofts.

Marybeth: Although, the squatter movement was out and about. We actually went to a couple of community meetings and looked into that, but they wouldn't guarantee they could keep us together. There were six of us who had met in art school. It was also more risky, I think.

Andrew: And certainly not a long-term proposition. Squatting is for short-term housing, not for long.

Marybeth: So, we ended up just looking at properties. I think we found this in the *New York Times*. We didn't get very far with the writing of the letters, this one came through an ad. It was in very bad shape, like many were, actually. Some context: There was a moratorium declared on the sale of New York City owned buildings at the time. These were buildings the city repossessed because the owner owed back taxes.

Andrew: The building was about to be repossessed, and we basically paid for it by paying off the back taxes that he owed.

Marybeth: I mean, we paid forty-six, he owed sixteen. We put down

twenty and then he gave us a mortgage for ten, so —

Hannah: There were a number of fires.

Andrew: It could have been burned by the landlord, it could have been burned by junkies, it could have been burned by both.

Hannah: I mean there was no roof to speak of. The staircase was completely broken up. There was no plumbing, you know, no working plumbing.

MM: Were there floors?

Marybeth: There were the apartments. There were doors, there were old sinks, there were tubs, there were old refrigerators.

Andrew: If you were in the hallway downstairs you could see the sky.

Marybeth: When it rained, it rained from the first floor to the fifth. So, we looked into financing.

MM: Was this the kind of thing that everyone was just doing or talking about doing or thinking about doing, or was this an unusual venture to make at the time?

Marybeth: In addition to the squatters, there were some people doing it. There were artists doing it. Remember Jim Krell's friend was doing it out in Brooklyn and Krell was doing it on —

Andrew: And the concept of "sweat equity" existed. People would get to own a portion of the building, by working it off. But it certainly was not what everyone was doing. First of all, people were not moving down to this neighborhood. People were moving out of this neighborhood, they weren't moving into it.³

Hannah: There were major buildings on this street that were empty. I mean right across the street, that building right on the corner, that

building was deserted.

Marybeth: Of the people who we knew were doing it, there was a group of artists around the corner on Suffolk Street I forget that guy's name. Baby Jane Holzer, the Warhol person developed a property on Suffolk between Rivington and Delancy and eventually turned it into co-ops. So, this is all in the '80s. We buy in 1981. And we moved in in '84, so there was a smattering of it. I think Kiki Smith lived down here and then Jenny Holzer's building—those were a group of people. People banded together to be able to afford to create that kind of situation.

Andrew: But it wouldn't have been called an art thing.

Marybeth: No, not at all.

MM: Even though almost everyone you're talking about are artists?

Marybeth: Yes, because that's who we knew.

Andrew: There was a pre-existing population that was dwindling and moving out. Hanging on despite high crime, lots of drugs, and a lot of arson. A lot of fires.

Marybeth: But, you know, was it as bad as other places? There were certain parts of the East Village that were more decimated than this. The commercial strip of Ludlow and Orchard never totally went under. It sort of survived. Before we bought the building, there were these two old ladies who used to sit outside the building next door and they were complaining about when they built the school across the street, which was in the early '70s, and how they ruined the neighborhood when they did that, there were good people living in those places.

Andrew: But if you look around this block now, half of the buildings just in this three-block area were built in the last fifteen years. When

we moved in it was parking lots and derelict lots. The fact that this building at least had the outside walls reasonably still standing was pretty unusual because a lot of the time when a building got condemned, it would just be razed to the ground.

Marybeth: Well, both of the buildings on either side were occupied.

Andrew: The building behind us was burnt out and it got torn down.

MM: If that wasn't the normal thing to do, where did the inspiration come from, what prompted it?

Marybeth: Well, a desire for a community for sure. We needed a place to live.

Hannah: Everyone needed a place to live. Inexpensive apartments were hard to find. Everyone was kind of doubling up because you didn't have any inexpensive places.

Marybeth: And, frankly, we all came out of some kind of collaborative tradition. You know, we [*indicates Hannah*] were working on *Heresies*, Andrew was a filmmaker who did collaborative projects. Hannah, Beth, Peter and I worked with Group Material. So we were friends, but we were also involved in projects that involved collaboration. Also, it was financial. None of us could afford to do this on our own, so this was our idea of how we would be able to do it. We were young and very naïve, also, so we thought this would take about six months. So, for years, people would ask us, "When are you gonna move into that building?" And we'd say, "Oh, in about six months." We were lucky, we eventually got one of the last Housing Preservation and Development loans. We had done the project for four years out of sweat equity, and we were pretty exhausted, and had pretty much exhausted out funds, so we were lucky enough to find someone in the city administration who gave us a loan.

Hannah: Because we had done so much work already.

Marybeth: He could only loan \$200,000. Nobody could renovate a building for \$200,000. We had already put in so much work that we actually could complete the renovation for that amount.

Hannah: We decided to renovate the building to create two apartments on each floor, making a total of ten apartments. So we had an apartment for each one of the original six partners and four rentals. Under the HPD loan, they had to be rent stabilized.

Andrew: The interesting thing about the loan was that it was a loan taken out through the city during the Reagan Administration, but it was actually a leftover loan from the Carter Administration and if it were any later, the money would have run out. It was the last vestiges of the pre-Reagan era urban housing planning.

MM: What is the chronology of the partners? Who was involved at the beginning? Who left and who joined?

Marybeth: Hannah Alderfer, Marybeth Nelson, Beth Jaker, Peter Szygula, Tony DiCiaccio, Effie Serlis, Jim Krell and Alex Hay. Those were the originals.

MM: And then two people left.

Andrew: Alex and Jim left before the building got fully renovated.

Marybeth: Alex and Tony were working full days [on the construction]. Tony had a night job as a waiter. Tony would fall asleep in his soup at night because he was working two jobs. That was kind of how we did it and that's why it took so long and never got finished without the loan [laughs]. And we had monthly dues. We each paid... \$100? Do you guys remember? Hannah, you kept the books.

Hannah: Well, Tony first kept the books and then when we all moved in, I took over.

Andrew: That was a version of sweat equity, wasn't it? People who didn't have any money would have to put in extra hours.

Marybeth: Yeah, everyone was expected to put in hours.

Andrew: Tony put in the extra hours.

Marybeth & Hannah: [*in unison*] Tony got paid!

Marybeth: Alex Hay, who is 82.

Andrew: Now. He wasn't that old then!

Marybeth: [*laughs*] Now. But was older than everyone else. We met through our instructor Joseph Kosuth at SVA. He became a close personal friend, and Hannah and I travelled with him. That's how he got involved. But he also needed a place to live. And then Jim Krell was another downtown, East Village figure. I don't know how you would describe him. [*laughs*] Maybe his nickname "Frankenstein" [*laughs*].

Andrew: A man of letters.

Marybeth: A large man of many talents and intrigues. Yeah, he was sort of the least committed. He had another building on Third?

Andrew: Avenue C or something like that. He would just say "Oh, you guys." [*laughs*]

Marybeth: Yeah, somewhere over there [*points north towards the East Village*]. So, he had another project. So, those are the ones that left. There is one partner that never moved into the building. She's rented to a sub-tenant from day one. She still actually owns her apartment.

MM: Did she move out of the city? Why does she not live here?

Marybeth: No, as far as we know, she still lives a couple of blocks over.

Andrew: I know she lives on Eldridge. I send her tax returns to her [laughs].

MM: But you don't speak.

Andrew: No.

Marybeth: No.

MM: Was there a falling out, or did you just loose touch over the years?

Marybeth: No, it was a falling out.

MM: What happened during those four years? What was that like? What was a week in the life of the building?

Marybeth: Most of us were working five days and then working on the building on weekends.

Andrew: Yeah, basically, we just didn't have any weekends.



MM: Are there any stories that you want to tell from the construction or the designing of the spaces?

Marybeth: You mean, like, dropping refrigerators out the window for five stories? *[laughs]*

Hannah: You mean, like, three inches from my neck? *[laughs]* That was actually a door.

Marybeth: OK, just one. It was like the Pharaohs, we did the demolition ourselves, we carried it out in buckets by hand, primarily. Then in the front of the building we cut a hole in each floor and we just sort of dropped it down and then poured it out a shoot into the dumpster out front. We had a pulley on an arm, just a simple pulley that we put out onto the front of the building. To get the refrigerators and the doors and all the larger pieces out we would tie them up and hoist them out the window and then lower them down.

Hannah: To someone who's sitting in the dumpster, waiting.

Marybeth: Waiting to get the thing. Because dumpsters were expensive then. Now they're insane, but you wanted to pack it as absolutely tightly as you could.

Hannah: So, to extend the dumpsters we used to put the doors on the sides to make it that much higher. *[All laugh.]*

Marybeth: Something I've said they would never accept now. But we would buy the low ones and then put the doors all around. I think it was me and Peter who were up here and you had to tie the doors with the knots, and so I said, "Peter, have you tied that knot?" And he said, "Yeah, I tied that knot." "Have you got it good? Yeah? OK." And we lifted the doors and put them out and I watched the rope go —

Hannah: And then there were these two doors hammering down at me! *[laughs]* I didn't even have time to react I just happened to be in

the right place. Because had I been anywhere else —

Andrew: Nowadays, Health and Safety would have come along and just closed it.

Marybeth: And people would say, "Hey, I haven't seen lady construction workers since..."

Andrew: Rosie the Riveter!

Marybeth: Rosie the Riveter! [*All laugh.*] They were very amused. Here's another one, there was a contractor or inspector who came over to look at the windows, and he was walking across the beams. He was a big guy and he stepped on one and disappeared to the floor below. He was so macho, like, "Oh, I'm all right, I'm all right!" We had no liability insurance. [*All laugh.*] Like, oh my God. But he was saying, "I'm fine, I'm fine."

MM: A whole floor?

Hannah: High ceilings! It was scary! I couldn't do it. You guys, Marybeth had to.

Marybeth: Buildings regularly fell down, and you take down the building next to you. We did redo the entire roof, so at one point we had it completely open with just the brick wall in the back and I remember Frankenstein, Jim Krell, was coming up the stairs once and we could see the whole back brick wall shaking.

Hannah: Because nothing was tying it together.

Marybeth: Nothing was holding it on and we were like, "OK, quickly. Let's get something holding this thing to the beam!"

Hannah: Before we lose the whole thing!

MM: Wow.

Andrew: Because if we'd lost that top masonry —

Marybeth: That whole wall could have gone.

MM: How did you make the group work together cohesively?

Marybeth: There was an incredible amount of trust. Tony got a small inheritance and he bought the building essentially himself before we even formed a partnership, so basically he owned it for months when we were working on it, and finally a lawyer said to us, "You know, if he dies, his family gets this building." So, there was trust and *naïveté*. That was a huge element of why it survived so long.

MM: The trust between the partners: These were mostly friends from SVA, right? Did you just have incredible friends or are you just really lucky or could you tell who was going to be trustworthy or not trustworthy, because it seems to have mostly worked out? How did that happen? Was there intentionality to the selection? How did you pick your partners?

Hannah: We were all friends. For the most part.

Andrew: But I think you weren't *just* friends. You collaborated on projects so you were used to working with one another.

Hannah: Yeah, Marybeth and I did our projects together and with Group Material. There were four of us from the original six who were in Group Material.

Andrew: You can call it friends, but to collaborate is more than friends. Friends and collaborators. Now, if it had just been friends, people who were just used to drinking together, you'd never have done it. You have to have the history of working together.

Hannah: We had to struggle to work together, too.

Marybeth: Which meant kind of a history of knowing how to divide labor, what one another's skills were.

MM: Could you talk more about what you learned working with one another in Group Material or *Heresies*?

Marybeth: Group Material was more of a constant conflict. We learned in that how *not* to be toward one another. I would say that in any kind of collaborative project, you have to learn that your focus has to be the project and not your ego. There has to be a way to assert yourself but also be able to hear what other people say; to not have such a thin skin, to not get so easily insulted, and to bounce back when something doesn't quite go your way.

Hannah: And also, as far as the work level, we put an awful lot of work into it. We put enough investment into it that we all felt we were all putting in generally the same amount of work. No one really felt like they were doing way more work than somebody else, which sometimes happens.

Marybeth: It wasn't that equal. There were the four primary people who did most of the work. There's one partner who never actually moved in.... We don't ever bug her and she doesn't bug us. We don't turn around and charge her exorbitant amounts when she's not living here and she doesn't call us. It's a *laissez-faire* thing. It's not worth creating huge firestorms over something if really what you just want is place to coexist.

Hannah: And have it work. And function, and to pay your bills.

Marybeth: The other aspect of it is that we moved in and invited some very close friends and, in my case, family to move into the building, as well. If you looked at our original partnership, it was full of all kinds of idealism. I think we wrote in that you couldn't make a certain amount of profit and the project was designed for people to live here. I think we may have rewritten it with our lawyer Marilyn Go and included things that you actually needed to include in a partnership, as opposed to some kind of treatise. But we were very focused on how we were going to create community. We've never

run it for profit, and it's allowed us to live comfortably and cheaply, and that was our goal.

Andrew: If there is a profit from it, it means being able to survive in a neighborhood that's become violently gentrified and upscale, and maintain the same cost of living as if it hadn't.

Marybeth: I mean, we didn't raise our rents for ourselves for, like, fifteen years? It was fifteen years. We didn't raise the rents on our tenants for many, many years.

Andrew: We raised them once in thirty years. Meanwhile, the neighborhood was completely and utterly transformed.

Marybeth: And it's a little awkward for us now, because our taxes are just skyrocketing every year and now we've had to raise their rents. They're still very, very reasonable, but you know, it's like every time you do it, you feel a little bad about it.

MM: What are the rents in the building?

Marybeth: Well they started at \$650 in 1985.

Marybeth: The one that actually had the most turnover was Rachel's and so her rent is about \$1250?

MM: And how many square feet are these?

Marybeth: The back ones are about \$780, and the front are a little bigger.

Andrew: The market rent would be three grand.

Marybeth: Well, we do have one apartment, one partner who passed away and we bought that from her family. That apartment we rent at market rate, essentially. So, right now we rent that for \$2800.

Marybeth: It is maybe a little below market rate, but not significantly below, I don't think.

Hannah: I think it's below.

Andrew: But still, we're not giving it away.

Marybeth: No. We're not giving it away at all. But again it's more important to have people that get along.

Andrew: And, again, we rented it to a close friend.

Marybeth: An old friend, yeah.

Andrew: An old, close friend. Someone we've known for thirty years. Forty years. Thirty-five years. [*All laugh.*] There are not many strangers in this building!

MM: It does allow you to create your own community.

All: Yeah.

Andrew: People joke that it's like living in a post-grad dorm.

Marybeth: Very post.

Andrew: Post-post.

Hannah: And there's so little turnover.

MM: How long do the tenants typically do they live there?

Hannah: Forever.

MM: Forever?

Andrew: Correct.

Marybeth: We've only had one apartment that's really had turnover. Well, and the partner who doesn't live here has gone through three or four tenants.

Andrew: The one that's just left had been here for ten years.

Andrew: And it was like, "Tyson, why are you leaving?"

Hannah: He said to me, "I never thought I would meet anybody that would have a better apartment than me. My girlfriend [*laughs*] has an apartment in one of the projects down over on Grand Street."

Andrew: He said, "So, I have to move out."

Hannah: "I have to move out; the apartment is actually better than mine." [*laughs*]

Marybeth: The funny thing is the two apartments that have had the same turnover are actually on the same floor. They face one another. One of them is above Hannah and Andrew and that was the breeder apartment because everyone, well, not everyone but —

Andrew: They got pregnant while they were there.



Marybeth: People who lived there were having babies. [*All laugh.*]

Hannah: Because we never leave, and only one couple in the building had a child. There was a gay couple and various others.

Andrew: There have been other children in the building.

Marybeth: They've come and gone.

Andrew: They've come and gone, but I think that's what it is. People, when they have children, they don't live on the Lower East Side. You get to school age and then you go someplace where there's a school. You go to North Carolina or you go to... where did Arvid go?

Hannah: Arvid went downtown to TriBeCa.

Marybeth: And also you guys [*indicates Hannah and Andrew*] never had kids, I never had kids, Susan never had kids.

Hannah: We've just never had kids.

Marybeth: We were selfish. [*laughs*]

MM: I wanted to talk about the partnership as a legal form. Was the partnership an intentional decision or was it just something that happened?

Marybeth: It was both. The choices were a partnership or a co-op, and you had to actually go through the state attorney general to get a co-op, which costs a lot more money, legally. And then also, since we were all independent contractors and self employed, from a financial point of view a partnership worked for us, tax-wise. It's actually a very impractical legal structure for us.

Andrew: Financially. Legally it's practical. Financially it's impractical.

Marybeth: Financially, yes. For us to go to a bank to mortgage our

individual share—we can't do that. So, as we age and start looking for those other opportunities, we'll probably regroup as a condo.

Andrew: Yeah, what the partnership does because of those financial constraints, is it really retards the turnover. There are people who would have had a greater incentive to have cashed out and left. But because it's impractical, it actually tends to make it more cohesive.

Marybeth: Now, you know, we're torn about cashing out and it being our retirement fund. Eventually, we'll have to cash out.

Hannah: I'm not going to. I have no plans to move anywhere.

Marybeth: Neither do I.

Andrew: The point is you either get the benefit of the initial investment, financially speaking, you either get it one way or the other. You either get it by cashing out and getting a lump sum or by living there indefinitely at very, very low rent. Either way.

Marybeth: You can mortgage it and borrow four or five hundred thousand dollars and still live here, you know, the way people do with their houses.

Hannah: Sure.

Andrew: Nobody does that.

Marybeth: So far none of us have reached that. But, you know, as New York changes, the neighborhood still has redeeming qualities but having grown up here, and seeing the direction it's taken, particularly Manhattan —

Andrew: She's speaking for herself.

Marybeth: Yeah, you're still happy in Manhattan. *[laughs]* But frankly, it still feels like a neighborhood to me and I still know more

people here than in any other place that I ever lived in New York, but it's tempting to look outside of the box.

Hannah: Hmm.

Marybeth: They're not moving. [*laughs*]

Hannah: I'm not moving! [*laughs*] I mean, I'm not moving; I guess I get a little wanderlust by traveling, but I like to travel to foreign places and then come back and be in my borough. Yeah. I don't foresee living anywhere else for a very long time.

Marybeth: The first apartment I had in New York was on Twenty-Ninth, it was a five story walk-up and across from me lived this ninety year old Italian couple.

Hannah: Oh, that's going to be us! [*All laugh.*]

Marybeth: They would drag their bags up the stairs, talk to my dog through the door, "Hello, baby, hello, baby!" But they got up and down those stairs every day, so I figured if they could do it, I could do it.

MM: What were the friction points between that sort of idealism you were talking about with the partnership-as-manifesto and the brass tacks of engaging in this kind of legal process? Were there conflicts over that? Was that something that was an issue?

Marybeth: I would say it was more workload. Like who wasn't pulling their weight, who wasn't working as hard, who wasn't slingin' bricks on the roof with Hannah's sixty-five year old mother. Or who showed up to work late. Since we moved in, at a certain point, the partners who did the most work decided to pay ourselves a management fee, which is minimal. I also think that the partners who do that work are the ones who worry most about those kind of things. If it wasn't done, we [*gesturing to the others in the room*]

would be uncomfortable.

Andrew: You could even say it the other way around: The shift from idealism to practicality actually didn't increase the friction, it actually removed it. Once the initial work had been done and the hump had been gotten over, being able to formalize it meant much less was done on principle. People did what they knew was expected of them.

Marybeth: The people who are the least happy are the ones who never reached that sort of practicality.

Andrew: Maybe the way to answer that question is to say that the idealism, and along with idealism, romanticism and impracticality, *is* really important when getting something off the ground, but it's not that important in terms of sustaining it.

Marybeth: Right, it doesn't need to be constantly changing or reinventing itself, like an art project or something. It's a home.

Andrew: Also, you two were able to continue your artistic projects and also your design projects. One of the reasons you were able to do it was you were living in the same place.

Marybeth & Hannah: [*in unison*] Yeah.

Andrew: You developed a studio together. And you couldn't and wouldn't have done that if you had been living crosstown from one another.

Marybeth: I think also when Bruno got a nine-to-five job, he was the first person who wasn't self-employed and working in the building. Some of the tenants maybe do, but that's maybe another way that we were able to deal with the conflict. We're here —

Marybeth & Hannah: [*in unison*] All the time. [*laughs*]

MM: Can you talk about what Andrew mentioned: that being in the space, and close to each other, and having a shared studio

in your building, enabled your creative practices?

Marybeth: Absolutely it did.

Hannah: Yeah. Absolutely. You know, when we would get involved in small political things, for example, we were members of No More Nice Girls, and we would produce agit-props for protests.

Andrew: And WHAM!

Marybeth: WAC [Women's Art Coalition - Ed.].

Hannah: Yeah, it was WAC. We were proximate to each other, and had similar political interests.

Andrew: Don't ignore "Caught Looking." You did that when you were here.⁵

Marybeth: And the "Diary." That we actually did uptown and at Beth's. The way you do those projects on a shoestring budget is you basically spent twenty-four hours together. We would crash at your apartment or Beth's apartment, or we would go someplace to make it.⁶

Hannah: We're here all together, and we would just do our nine-to-five jobs, the pay-money jobs, and meet at six o'clock and do the same things we would do for our work, but do it for a good cause; for a project that we believed in; a political movement that we thought was important.

Marybeth: Hannah and I also shared an office for I don't know how many years now. So, you get used to the idea of being within earshot. Of being able to bounce ideas back and forth. So yeah, it did. Community breeds so many ties.

Hannah: And you just get used to each other's rhythms. Since we live together and we work together and we have the same space together, I think we know pretty much what is a good time to do

things.

Marybeth: When we were involved with WAC we went down to Houston in '92 for the convention. It was a big WAC project. There we were, working with a bunch of women we didn't normally work that closely with. We were working with Sarah Charlesworth and Cindy Sherman and all these artists who had developed careers, or whatever, and we kind of came in as the designers who can come in and pull it all together. I remember when we went down there, it was kind of chaos. And at some point something needed to be done, and Hannah and I just said —

Marybeth & Hannah: [*in unison*] "Let's just do it!"

Hannah: [*laughs*]

Marybeth: Lets find the extension cords, put them in, and get this so it works... or whatever the problem was. It was a lot of handwringing. [*pantomimes helplessness*] "I don't how to do this."

Hannah: [*laughs*]

Marybeth: None of us had really worked in corporate situations in so long. I just don't know how people get things done in groups in other ways. Our experience has been primarily our own little kibbutz here, and feminist groups. And/or film groups. I mean even you [*gestures to Andrew*] you spend your days by yourself, making all of your decisions yourself.

Andrew: The next thing I think you have to say that has come out of here, out of this building, which doesn't actually have to do with you two is the next thing that happened chronologically is one of the major reasons why this neighborhood has changed over the years. One of the building blocks of the change, was changing it to be a restaurant row. And that is something that also got invented out of this building. The whole changing Clinton Street.

Marybeth: I would argue with that, but —

Andrew: Changing Clinton Street?

MM: Why don't you [Andrew] offer your version.

Andrew: 71 Fresh Foods was the first restaurant, which Marybeth's sister Janet ran and our upstairs neighbor's son Wylie Dufresne was the chef of, and I'm absolutely certain that wouldn't have come off if we hadn't been in this building.

Marybeth: Absolutely, that was definitely something that was born out of this situation. And that was something that was really radical in the restaurant world. And did have an enormous effect on it. On the whole concept of New York City restaurants.

Andrew: But it also had an effect on the neighborhood.

Marybeth: But it didn't radically change Clinton Street, because it still hasn't radically changed. They are one of the few restaurants that is successful. Its not like Ludlow Street or the bar scene or...

Andrew: Fair enough, but you would say that before 71 Fresh Food got opened, no one would have ever considered the Lower East Side to be a destination to come to.

Marybeth: No. It was almost insulting the way people were coming down and saying things like, "Wow, its like Siberia." Like it never existed.

Andrew: In the broad sense, I would say that it was one of the major factors to change the neighborhood.

Hannah: It was a similar project.

Marybeth: One other point. The other people who were coming down, after there was a certain amount of publicity, were people who had grown up here, but had moved away to the 'burbs. One old guy

brought his old library card to prove it.

MM: To go to 71?

Marybeth: Yes, to go to 71. The Tenement Museum is part of that. [Opened in 1992 - Ed.] Also, people were rediscovering their roots, so it wasn't just trendies and foodies.

Andrew: Also, the revitalization of Essex Street Market. [Renovation began in 1995 - Ed.] There have been all sorts of things like that have happened in this neighborhood. It's not to say that this building created it, but I'm saying it was one of the places that incubated those changes.

Marybeth: Right.

MM: Hannah, you were going to say something about the way in which 71 Fresh Food was a project like this building

Hannah: Well, I was going to say 71 was a project, like taking an old useless fried chicken place and making it into this incredible restaurant that people would come to eat experimental food down in the Lower East Side. People said when we bought this building, "You're going to live there? You're kidding me!" Nobody thought it was a great location to buy anything.

Andrew: One thing that's interesting about the changes, when neighborhoods gentrify, often what happens in order to move along the gentrification is that art galleries come in. And one thing that is really interesting about this neighborhood is that people have tried, and at various stages people have the idea that next hot place for art galleries is going to be either the East Village or the Lower East Side. And its never really taken off, there have been attempts, but its never —

Hannah: Well...

Marybeth: Have you been down Orchard Street lately?

Andrew: And the art scene is more like a music scene than it is a fine art scene. Or an experimental theater scene, like Fringe. The traditional way in which art gets mixed up in gentrification which is through galleries, where galleries are the first step, and boutiques are the next.

Hannah: Or just artists moving in, and then there are galleries.

Andrew: It didn't really work like that in this neighborhood.

MM: But there are a lot of galleries and there are a lot of boutiques!

Marybeth & Hannah: [*in unison*] Yeah!

Andrew: But the thing is that the population density in this neighborhood was so low. Yes, it's true that you have luxury high rises and luxury hotels that have been built, and that sort of thing, but you've had all sorts of housing being built. Places that were empty lots and are now are housing. It's not only luxury condos that have been built, although they have, like Red Square [An early market rate rental at 250 East Houston Street built in 1981 - Ed.] or stuff like that, but there's also affordable housing that's being built. Its just the density of population is incredibly more than it was when we moved in.

Marybeth: But nowhere near what it was like in 1904.

Andrew: But its low point must have been in the '70s. When we first moved in here, you could take a cab downtown, but they would drop you off at Houston Street. They wouldn't go below Houston. It was just too dangerous.

Hannah: People used to come for dinner, and then you would walk them out.

Marybeth: Messengers didn't want to come down.

Hannah: Just having people over for dinner you didn't feel good about just saying, "Go out and find your cab," because there was never a cab on Rivington Street. And there was no one on the streets. So you were better the four of you walking together and finding a cab on Houston Street for them, and then walking back home.

MM: So, as the city gets more and more full of people, the question of population density gets more and more extreme and things are less and less affordable. My generation and those younger than me are in a way doing some of this over again in other places, like right now in Bushwick. I guess the question is, what can we learn from what you did, and can the situations even be compared? Are the situations different enough that it isn't the same, and certain things can't translate? Is there an opportunity to do what you did again now?

Marybeth: The ironic thing that I first thought of is that I think that we are all looking again right now at what we did: the idea of a collaborative effort, pooling resources and making yourself available to opportunities that you would not have been available to alone. But we're thinking of it in terms of retirement communities! [*laughs*] Like, where can we go buy a big piece of property and build ourselves a little community to end our days. But I do think that is the lesson. We were raised with the lefty notion that together you can accomplish more than you can individually, particularly around these kinds of issues about creating living situations and community. I'm not sure that answers it.

Andrew: That's one answer. The other answer is to think about this in terms of urban planning: Yes, there are always opportunities like this one here, in distressed downtowns of previously overpopulated populated urban centers.

Hannah: Like Detroit.

Andrew: But probably not in New York City. For instance, on the East coast, and you've done more research on this [*indicating Marybeth*], but I think that downtown Philadelphia and North Philadelphia are just like, dying. There's just row houses which have got boarded up and it's all within a subway stop of downtown. You could just move in and get a house like that with six people, and you could wait for it to come to you.

Marybeth: Detroit, fascinating place.

Andrew: Detroit absolutely, or Buffalo which has fantastic already existing housing. The point is that, if it works, then what's going to happen is going to be what happened here, which is you're going to have the first ten years of living in a rough and very sketchy neighborhood, and then ten years when everyone else notices, and then ten years when you're going to be basically slammed by people who are living much more expensively than you are, and they are the only people who can afford to move in.

Marybeth: That's when it becomes disappointing. We moved here because it was a neighborhood, because there were families and schools.

Andrew: So, the really good tip then would be, yes, choose a deserted under-populated downtown where there's housing stock that's still available, but choose it next to a stable population of poor people.

Marybeth: And that would be the recommendation for restaurants as well; it's really difficult to get a liquor license here. The CB3 SLA [State Liquor Authority - Ed.] Committee keeps saying, "Go someplace where there are none. Someplace where they need a bar and they don't have one." And the thing was, back in the '70s and '80s, you had to be in New York. You no longer have to be in New York, in so many ways.

Hannah: That's the total truth.

Andrew: No, look, in the '70s and '80s you *had* to be in Manhattan. You wouldn't even think of going to Brooklyn. The idea of anyone going to Brooklyn would have been just like, well.

Marybeth: Yeah.

Hannah: I did have a friend who was there.

Andrew: Yes, but they were totally senseless. [*All laugh.*]

Hannah: Over the bridge, for god's sake!

Andrew: Oh, for crying out loud! Brooklyn!

MM: This has ended up turning into, a conversation about American frontier-ism.

Marybeth and Hannah: [*in unison*] Yeah.

MM: Which is not unsurprising when the term to describe what you did was urban homesteading.

Andrew: Homesteading is a frontier term, right.

Marybeth: And you know, I've looked at those places; I went to Detroit late last summer, and Harrisburg, and whatever. You get that old thrill but then sometimes you walk past something and you're like, "Oh, I just can't, another bucket of plaster dust, I don't think I could take it!" Or junkies on my corner.... I'm sort of over that. I certainly don't need drugs. But, poor people? Yeah, no problem.

MM: So what does the future hold in store for you all and the building?

Marybeth: Well, we have our plots laid out in the back.

Andrew: Wheelchair access, I think! [*All laugh.*] We'll all have to live on the first floor!

Hannah: We're going to live a lot closer together! [*More laughter*]

1. NYU Furman Center. Urban Homestead Program. <http://furmancenter.org/institute/directory/entry/urban-homestead-program> ^
2. Greene, Penelope. (2003, June 15). Habitats/Rivington Street; Six Artists' Lower East Side Story. New York Times. Retrived from <http://www.nytimes.com/2003/06/15/realestate/habitats-rivington-street-six-artists-lower-east-side-story.html> ^
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5. Alderfer, H., Jaker B., and Nelson, M. (1983). Diary of a Conference on Sexuality. Faculty Press. <http://www.darkmatterarchives.net/wp-content/uploads/2011/12/Diary-of-a-Conference-on-Sexuality.pdf> ^

II. Action

Ownership For Artists

Property Group

The Yellow Building

New York City To Be Determined

OWNERSHIP FOR ARTISTS

Amy Whitaker

In 2008, Randy Cohen, then writer of The Ethicist column for the *New York Times Magazine*, received this letter from Patrick Hebron of Brooklyn:

My friend, a young artist at the start of his career, offered to sell me a 1 percent share in him for \$9,000. I would receive a portion of his lifetime earnings but would have no say in the sort of work he did. This seems like a good deal for us both, but it does feel a bit like slavery. Is this agreement ethical?

Cohen said Mr. Hebron was not unethical. The artist was still in charge. As Cohen closed, "Celebrate if he turns into Bill Gates or Warren Buffett; weep if he becomes a hobo or poet or classics scholar."¹

People invest in people all the time, but usually only if they are family—or through a corporate structure. At one end of the spectrum, parents pay for their children's education. At the other, the Sun Microsystems founder Andy Bechtolsheim invests in Larry Page and Sergei Brin circa 1998, but makes the check out to "Google Inc."

Finance is conveniently impersonal. It creates a proxy. It turns people and ideas into *securities*, like stocks or bonds, as divisible as slices of a pie. If Fred were a company and Mr. Hebron bought shares, no one would be worried about indentured servitude. They would call him a venture capitalist.

As in the letter to The Ethicist, investing in an artist may feel sharky and capitalistic, but what if it could actually help the artist? What if inventive new structures could help artists own the upside of what they create? At a time of gift-economy crowd-funding like

Kickstarter and new models like Upstart—in which anyone can trade a fraction of their future income for investment now—it is possible to reimagine artists' most fundamental property rights—ownership of their own work—and the ways that shared ownership can create meaningful support and patronage for artists at an early stage of their careers.

Artists do not currently own their work in a way that necessarily serves them. Their trade-off of risk and return is different from that of makers and inventors in many other fields, and not to artists' advantage. Actors other than the artist often profit. But even more than thinking about profit itself, it is possible to imagine a world in which patronage and art investment are reimagined to be true supports to creative work—rigorous, generous, collaborative and imaginative themselves.

Owning the Upside You Create

In 1973, the artist Robert Rauschenberg sat in the back of Sotheby's Park Bernet and watched his 1958 painting "Thaw" sell for \$85,000. Rauschenberg has sold the work to taxi magnate Robert Scull in the late 1950s for a mere \$900.² Allegedly, Rauschenberg punched him.

In May of 2010, something similar happened to Jasper Johns, Rauschenberg's longtime romantic partner. His painting *Flag* sold for \$28.6 million at the Christie's auction of the estate of the writer Michael Crichton. Johns made *Flag* in the 1960s and sold or gave it to Crichton in 1973, the same year Rauschenberg allegedly punched Scull. Johns and Crichton were longtime friends. The writer even penned a 1977 catalog essay for Johns' retrospective exhibition at the Whitney Museum of American Art.³ The transfer of the painting in 1973 may have been non-economic, discounted and steeped in good will. But, as one point of reference, the Whitney Museum bought Johns' comparable 1958 painting *Three Flags* for \$1 million in 1980, then the highest known price paid for a work by a living artist.⁴ That work had originally been purchased by the art patrons

Mr. and Mrs. Burton Tremaine for \$900 in 1959. Johns would not have received any of that return on the increased value of his work over those twenty years.

Jasper Johns is an unusual example to use here because his first show was wildly successful. That 1958 exhibition at Leo Castelli was one of the only times when the Museum of Modern Art bought multiple works from an artist's first show—as Alfred Barr, MoMA's legendary founding director, famously convinced the MoMA trustees to allow.⁵ Even with his early success, Johns' work gained enormously in financial value that he himself did not receive. The implied annual rate of return for the Tremaines would have been 37.4% each year from 1959 to 1980. Even if you assumed 11% to cover inflation and annual expenses such as storage and insurance, they would have made more than 25% each year.⁶

Consider the difference between how Crichton and Johns were paid. Crichton, a medical-doctor-turned-thriller-writer, sold film and television rights in addition to books. He conceptualized *ER*, wrote *Jurassic Park*, and sold over 200 million copies of his books. Book contracts would have entitled him to a small fraction of each book sold. His pay moved in lockstep with his publisher's.

Artists do not still own physical works of art they sell early in their careers. They develop work at an entrepreneurial stage, and then subsequent purchasers or investors reap the reward. This is partly because of the sheer nature of art. Art, by definition, transcends the market—it has use value not just exchange value. But even in market terms, artworks function like a currency or collectible, not like shares owned in an operating company. Investing in Monet the *artwork* is like investing in dollars or gold or Chinese vases. Investing in Monet the *person* during his productive life would have been like holding shares in Nike or Apple or another company that *makes* something. Like an operating company, the artist is the engine of growth and production, whereas the completed artwork can only appreciate or depreciate as a static object.

The Problems of Art Investment

From the perspective of collectors or the financial world, investing in fine art is mired in a single, insurmountable problem: A work of art is not divisible the way shares in a company or film are. A film makes money through ticket sales. An artwork is worth what the next purchaser is willing to pay. If you owned 10% of the back end of a Tom Cruise franchise, you would be pleased. If you owned 10% of a physical Cézanne painting, you would not be looking for a pair of scissors. An investor who wants a diversified portfolio—to own many different kinds of things in order to mitigate risk—would have to be rich enough to buy many different kinds of artworks. No one has figured out how to let people own, as you do with a mutual fund, small fractions of many different artworks. It is the scissors problem. You need to invest in something that is not the work but a representation of the work.

Imagine a world in which artists could own and sell shares in their work. Those equity stakes-like Kickstarter projects with shares—are property rights artists have never had. Knowing that artists have that right to income later when their work is sold or resold makes the shares valuable now. Trading them creates patronage for artists and investment opportunities that have never existed before. Fred could wait tables less and make his art more. Or, having some financial support would make it less scary for Fred's extremely talented, but risk-averse and duty-bound friend to keep making art instead of becoming a tax accountant. The larger marketplace for those shares could become the basis of art investment funds—ones that would solve the King-Solomon riddle of how to have 134 owners of a Cézanne painting without ever needing to cut it into 134 pieces.

The essential risks of art investing are unshakable: lack of severability, lack of liquidity, expensive carrying costs—the need, except in the rarest cases of truly ephemeral conceptual art, to maintain a physical object—and the general slipperiness of artistic

value. But these equity stakes solve the severability problem. They are derivatives relative to the artworks themselves. And in being derivatives, they are more stable because they represent the work in a way that can be as divisible as a decimal place will allow. They therefore become infinitely more flexible, more sharable and less costly to maintain and to trade than any kind of investment in an artwork itself, an object that must be stored and worried over, insured and conserved. A single investor can be designated the physical owner and enjoy living with the highly insured Cézanne. Everyone else can own a fraction of it.

Assigning Property Rights: Coase Theorem

This way of looking at property rights comes in part from the work of Ronald Coase who, in 1991, won the Nobel Prize in economics for a deceptively simple idea: In economic markets where there are externalities—sources of positive or negative value that are not correctly priced in—assigning property rights allows the market to sort out the problem, provided that the cost of trading those rights, the transaction costs, are not too high. For example, pollution from a factory is a negative externality. The factory does not pay to pollute, but others bear the cost of dirty water or clean-up. Under Coase Theorem, the right to pollute becomes a form of property as it did when governments decided to issue "emissions permits" for certain levels of pollution. What Coase found was that it didn't matter how something like these pollution rights were originally allocated. So long as *someone* clearly owned those rights, the market would ensure that the rights got traded and sold so that eventually the person—or factory—who valued them the most ultimately ended up with them. Markets could regulate good outcomes so long as things of value were given containers that could trade. Those containers of value were property rights.

This is an impersonal and utopian view of markets: The market becomes a magical benevolent actor that helps us, in theory, collectively to allocate scarce resources in the best possible way. In

this example, the market doesn't care *who* owns the property right, just that those rights are owned clearly enough to be traded.

In areas of innovation, property rights—such as patents and shares—are not just assigned, but assigned to the creators of the value: the founding owners and their early-stage investors. In that case, the market is not agnostic on who benefits. It favors the makers in the business world more than makers in the arts: They become the Mark Zuckerbergs and Thomas Edisons of the world, eventually awash in paper wealth when their hard-won company posts on a stock exchange or their inventions find a gadget-buying public.

Outside the arts, royalty provisions and early-stage investment structures can be wildly generative. For example, when Andy Bechtolsheim wrote a check to Google Inc. in 1998 to fund the work of Sergei Brin and Larry Page, it was so early in the life of the idea they actually had to incorporate the business to be able to cash the check. By 2010, Bechtolsheim's original \$100,000 investment was valued at roughly \$1.7 billion. Page and Brin also owned a fraction of the upside they created.

Bechtolsheim's ability to write that check also owes something to royalties. In his youth, he invented "an industrial controller based on the Intel 8008" for a company near where he grew up in Lake Constance, Germany. Those royalties "supported much of his education,"⁷ which in turn supported his going on to found Sun Microsystems.

Ownership shares—or royalties or any other tradable right to the upside artists create—can open up a whole world of structured financial products that serve artists by placing artists at the center, and that also solve age-old questions in the design of everything from art exchanges to art investment funds. They allow the securitization of art based on the original creator, pulling the art market far into line with royalties methods in other fields, from finance to music. An art investor goes from owning a collectible to

owning the equivalent of shares in an operating company. An artist gains support, and still owns the upside him- or herself.

This is an argument that is meant to be generous toward artists, not to turn them into rapacious capitalists. It is predicated on ownership not as synonymous with greed but as prerequisite to generosity and a form of authentic boundary setting. In no other field from finance to music—excepting perhaps the early Motown artists—would any creative person be advised to make something without having rights to the value they create. That value gets shared with, not handed over to, early investors. The corporate structure of business becomes a protection of, not barrier to, effective artistic working practice. It turns artists from renters to owners of their own future.

Resale Rights

In some rare cases, the artist's body of work already functions like shares, as in the case of something like Damien Hirst's Dot Paintings, where owning an individual work is like holding fractional ownership in the project.⁸ But in most cases, the single sale of a single object from an artist is a hazy representation of the value the artist creates, a problem artists' resale rights were originally proposed to solve.

Resale rights are legally mandated artist royalties—usually set at 5-10% of the increase in value after the initial sale. (Like a cost basis in the sale of the stock, the royalty applies to the increase in value from the last time it was sold.) Resale rights exist in over thirty countries, including in the European Union.⁹ They are typically criticized for three reasons: being bureaucratically complex, loosely enforced, and only helpful to artists later in their careers when they do not need the money.

The state of California had a resale rights scheme, enacted in 1973, in the wake of Rauchenberg's punch, but the law has, since 2013, been under judicial review, and under appeal in the 9th Circuit, for

violating the Interstate Commerce clause. At issue, the law covers sales not only that take place in California but that are of the work of any Californian artist in other states. The original lawmakers were attempting to prevent forum shopping, which is to say, intentionally choosing another jurisdiction for a transaction to avoid the law—the figurative equivalent of art dealers driving into the Nevada desert every time they made a major sale.¹⁰

The criticisms of bureaucratic complexity and loose enforcement are fair, but the idea that the rights only have value at the point of sale is not true.

With regard to poor enforcement, according to Patricia Milich, the State of California's "resale royalty coordinator," between 1977 and 2011, the state collected \$325,000 on behalf of 400 artists, on \$6.5 million in sales of art—relatively low sums over such a long haul.¹¹ As Judge Nguyen wrote in the California district court decision, "In December 1992, the Copyright Office issued a report concluding that it was "not persuaded that sufficient economic and copyright policy justification exists to establish *droit du suite* [resale royalties] in the United States."¹² Internationally, a study as early as 1991 found that of the then twenty-nine jurisdictions with resale rights, twenty-four of the jurisdictions "appl[ied resale rights] little or not at all."¹³

With regard to bureaucratic complexity, Senator Herb Kohl of Wisconsin and Representative Jerrold Nadler of New York proposed federal resale rights legislation in 2011. The bill introduced a vastly complex, multi-tiered system in which a rights collection agency would have an 18% allowable expense ratio and artists would be required to donate half of their royalty to a second layer of administrative agency which would make art purchase grants to American museums.¹⁴ (The bill may be revised and reintroduced in the near future. Herbert Kohl retired from the Senate in January 2013.)

Compared to resale rights for visual artists, royalty schemes for recording artists appear easier to enforce. Rights management agencies for music, such as ASCAP or BMI, can bill radio stations probabilistically based on an expected number of times a song is played. A platform like Kickstarter could in theory manage artist royalties or shares, using technology to streamline bureaucracy, but the legislation as written would have disqualified Kickstarter for not having previously managed copyright clearances.

What the third argument—that royalties are only paid to already successful, famous and wealthy late-career artists—overlooks is the central idea of a property right. Royalties—meaning literal royalties, equity shares, or other ways of assigning ownership—are not *static*. Their value is not at the moment they are *paid*—*off in the future at the point of later sale*—but in the moment they are *created*—*in the present, where the future transaction is already known as a possibility*. That possibility has value unto itself. Royalties assign a property right to artists that has never existed before and that can be traded—for patronage now and investment purposes later. If a young, struggling artist knows that she will one day receive royalties, she can trade part of that right in the present, to gain support to make her work in the first place. Once a market for those royalties exists, they can be collected to mimic art funds. Those funds, like stock index funds, would be based on the artist as an operating company instead of the artwork as a collectable.

A coherent system of investment—like the venture capital community for tech start-ups or the royalty structures of the entertainment industry—has not in recent history existed in the arts, but creative ingenuity—an artistic consideration of the funding structure itself—is not new. In the 1970s, Seth Siegelau, a wide-ranging art world actor credited with championing Conceptual Art, worked with the lawyer Bob Projansky to offer artists a contract they could use to enact resale rights themselves. This form, "The Artist's Reserved Rights Transfer and Sale Agreement," gave the artist 15%

of "any increase in the value of each work each time it is transferred in the future" as well as "a record of who owns each work at any given time."¹⁵

Other creative financing attempts exist. In 1997, David Bowie worked with New York bond trader David Pullman to create "Bowie Bonds"—\$55 million in 10-year bonds based on the earnings from Bowie's twenty-five albums.¹⁶ The money raised from the bonds gave Bowie the lump sum he needed to buy his back catalog. In the end, the bond was downgraded from A3 to Baa3, "just above junk-bond status... partly in response to falling record-industry sales."¹⁷At the conceptual end of the spectrum, artists have incorporated and sold shares in themselves, as an art project. The artist Kenyatta Cheese's offering of shares came complete with a corporate identity, website and annual reports. At the more practical end of the spectrum, the artist Daniel Wilson has proposed that artists be able to sell a 1% stake in their future income streams, in perpetuity with a buyout clause that Wilson thought would mitigate the indentured servitude concerns. Wilson structured this vehicle as \$250,000 in exchange for a 30-year bond¹⁸. Others such as the art advisor and attorney Franklin Boyd include resale rights in contracts of the art sales advised by their firm Boyd Level. And Kibum Kim, co-founder of Newd Art Fair in Bushwick in 2014, said he plans to use a resale rights provision in the sales contracts at the fair.

How to Build the Better Mousetrap

Amidst this universe of possibilities—debt structures, side letters to standard contracts, performance art projects, federal legislation—the clearest solution is to create the effect of resale rights using ownership shares. For example, selling 20% of the equity in a company would be analogous to selling 1 out of 5% resale rights percentage points. A royalty is not technically equity but because the royalty is paid based on the increase in value of the work, it has an equity-like characteristic of a theoretically unlimited upside potential, or, in Randy Cohen's words, the possibility of "a

Picassoesque payday."¹⁹ As the JOBS Act is interpreted, allowing everyday citizens not just wealthy accredited investors to purchase private shares, a firm—a cross between Kickstarter and WeFunder—could manage these shares.²⁰ Once the shares existed, the purchasers could remain individual patrons or assemble novel and useful investment fund structures.

Art Funds

The rationale behind any investment fund is the pooling of resources and the diversification of risk. If someone could only afford to buy one painting with their investment budget, that concentration of risk might be too much. (*All my savings, in one Bob Ross masterpiece!*) Instead, someone could pool resources with others and buy thirty works. (*A few of these might do poorly but surely of thirty, some will do well!*) This idea of diversification originates in an area of finance, Modern Portfolio Theory, pioneered by Harry Markowitz in the 1950s and awarded the Nobel prize in the 1990s. If you put your eggs in a lot of different baskets that are not perfectly correlated, you will likely get a higher risk-adjusted return. Markowitz, in his way, said it was possible to get a free lunch, or higher return for a given level of risk.

Fund managers have tried in the past to apply this rationale to investing in art. The most universally lauded attempt was the British Rail Pension Fund (BRPF)'s investment in artworks as an inflation hedge in the 1970s. When BRPF sold its Impressionist holdings in 1989, it made an impressive 21.3% annualized return. This success is less generalizable, however, for their having sold in near perfect timing at the peak of the Impressionism market. But by the time the fund had liquidated all of its art holdings in 2000, they had achieved a 4% annualized return, net of inflation (an 11.3% internal rate of return). As Noah Horowitz writes in *Art of the Deal*, "BRPF is typically enlisted as a successful precedent, especially by art fund enthusiasts.... [T]hough its returns to art outpaced inflation, they underperform those of the major stock markets over the investment period."²¹ Other art investment fund efforts have ranged from Fernwood Art Investment Fund which lost investor money and spurred litigation in 2006,²² to the Fine Art Fund in London, generally credited as consistently if moderately successful. Art exchanges, such as Liquid Rarity Exchange (US) and SplitArt (Luxembourg) have similarly tried to allow investors to own and trade shares in art. Kathryn Tully of *Forbes* estimates that "fewer than 30 art funds are active today," in a worldwide art market of \$67 billion each year.²³

Most investment solutions are still based on the artwork itself, the basic premise of which leaves investors open to liquidity and severability risk, as well as high carrying costs of maintaining artworks without necessarily having the pleasure or "aesthetic dividends" of living with the work themselves. Instead, funds whose shares are based on the working life of an artist not only place artists at the center as creators of value, they solve the riddle of owning fractions of single, original objects. By enacting Coase Theorem, the property rights benefit artists and their early supporters, as any share or royalty would.

Trading resale rights or equity stakes could take on as many forms as any structured financial product does, whether rights over a fixed

term or in perpetuity, bundled with a physical art sale or purely as a derivative. *Those* shares then become the art investment mechanism. They mimic the correlation-busting portfolio function ascribed to art, but also avoid the liquidity and severability problems of cutting up the Cézanne or having to sell it in a pinch. A majority owner in a work of art could keep the work physically, with contracts requiring insurance and condition, and minimum guarantees for sales prices.

Breathing life into the art investment world—catapulting the idea of an investment fund from conferences and cocktail party conversation and singular success story to working ecosystem—also eases the cash-strapped difficulty of getting into the arts in the first place. People leave the arts for many reasons that have nothing to do with their talent or ability to contribute—reasons like family pressure, lack of heroic self-esteem, lack of independent wealth, or talent in other fields. Tradable shares might mitigate the difficulties of being an artist and give all of us a more vibrant and meaningful cultural life.

On the art fund side, it may take many years for the current crop of artists to rise to such stature that their royalty streams have significant cash value. The market may start small and have philanthropic roots. Like art itself, the market might grow from generosity to value, at a human scale and with uncertainty. It is easy to talk about the gain in value of a van Gogh painting from 1980 to 2012 without talking as much about the 100 years someone owned it before. The first generation of fund holders may, proverbially speaking, build Chartres over centuries more than they reap quarterly returns.

And, the securitization of the person—artist or otherwise—is a brave new world. As technology learns to pixilate the person into shares—to make it possible to share ownership in our projects, our creations and even ourselves—the project can feel parceled into shares or the person unbundled into projects, the same way that

iTunes makes what was once an album into a menu of songs. The science-fiction future is unknowable. And as we create it, with integrity and without losing the fact that the whole person is more important than the sum of the pixels, the burden of that possibility is in education, here the business education of the artist. The closer the investment is to the person, the more ethics and character matter. As with any financial regulation, those most equipped to imagine what will happen not one but five or twenty chess moves into the future of ownership shares—the fifth order effects of trading—those people like portfolio and risk managers in more pure financial fields will need to be asked to weigh in on the design of the system.

But it is worth letting artists own the value they contribute. Both artists and future generations of fund managers would benefit. And to the extent early-stage support keeps talented artists able to make work and their work enriches our lives, so would all of us.

1. Randy Cohen, "Payouts and Payoffs," *The Ethicist Column*, *New York Times Magazine*, June 29, 2008, accessed online, February 11, 2013 at: http://www.nytimes.com/2008/06/29/magazine/29wwln-ethicist-t.html?_r=0. ^
2. Patricia Cohen, "Artists File Lawsuits, Seeking Royalties," *New York Times*, November 2, 2011, page C1. ^
3. Lindsay Pollock and Philip Boroff, "Crichton's \$29 Million Jasper Johns Flag Boosts Christie's Sale," *Bloomberg.com*, May 12, 2010. ^
4. If Crichton paid \$100,000, it was a gain of 28000% or a 280x multiple. If he paid \$1 million, it was a gain of 2800%, not adjusting for inflation. The sales figure for Three Flags comes from Grace Glueck, "Painting by Jasper Johns Sold for \$1 Million, a Record. . ." *New York Times*, September 27, 1980. ^
5. Alfred H. Barr, memorial service program. ^
6. Glueck, op. cit. ^
7. Wikipedia, citing a 30-page oral history with Bechtolcheim. ^
8. Hirst's earlier work makes this point conversely: His work *The Physical Impossibility of Death in the Mind of Someone Living*—more descriptively, Shark in Formaldehyde Tank—was not properly embalmed. The original shark had to be switched out for a new shark by a team of hazmat zoologists with very long acupuncture-like needles; this did not change the identity of the work. ^
9. Judith Prowda, "Assessing Artists' resale rights Legislation," *New York Law Journal*, January 23, 2012, p. 1. "The U.K. came into compliance with the passage of the Artists' resale rights Regulations in 2008." Countries in the European Union adopted Directive 2001/84/EC in 2001. ^

10. Lee Rosenbaum, "Federal Court Finds California Resale Royalties Act Unconstitutional," *CultureGrrl*, an ArtsJournal blog, May 20, 2012. The 9th Circuit previously upheld in *Morseburg v. Balyon* (621 F.2d 972 (1980)). ^
11. Cited in Prowda and first reported in Jori Finkel and Mike Boehm, "Sam Francis Foundation sues nine galleries for artist's royalties," *Los Angeles Times*, November 2, 2011. Access on August 14, 2012 at <http://articles.latimes.com/2011/nov/02/entertainment/la-et-artists-royalties-20111102/2>. ^
12. Rosenbaum, op. cit. "Droit du suite" means "right to follow" and comes from the French doctrine, in contrast to the US "first sale doctrine." Droit du suite is the right to proceeds of the sales that follow the first. As a curious side note, Rosenbaum also notes that the same judge, Nguyen, was just appointed to the 9th Circuit, the same Court of Appeals that will hear this case. (As Rosenbaum points out, Nguyen would presumably recuse herself.) See Prowda's article for further discussion of the difference between "moral rights" in France and "economic rights" in the US as the underlying basis of copyright regimes in the two countries. ^
13. Liliane de Pierredon-Fawcett, "The Droit de Suite in Literary and Artistic Property," (1991), translated by Louise-Martin-Valiquette, 1991, p. 106. ^
14. Prowda, op. cit. ^
15. "The Artist's Reserved Rights Transfer and Sale Agreement," by Bob Projansky with Seth Siegelau. The additional focus not just on resale rights but on artists' benefitting economically from the exhibition and not just the sale of their work is reminiscent of WAGE's current campaign to have artists be paid exhibition fees. ^
16. Randy Cohen, op. cit. Also from Barbara Wall, *New York Times*, June 6, 1998. ^
17. Randy Cohen, op. cit. ^
18. Based on the author's conversation with Daniel J. Wilson and Kenyatta Cheese, summer 2012. ^
19. The photographer Annie Leibowitz provides another example of inventive debt financing based on intellectual property rights. ^
20. The JOBS Act intends to make it possible to hold equity in start-ups outside of the "accredited investor" standards of existing private placement law. Whereas a private investor now has to have a minimum net worth of \$1 million outside the value of his or her primary residence (or meet comparable income standards), under the JOBS Act, anyone would be able to invest. This creates a Kickstarter-with-equity structure of many small-scale investments in private companies. At the time of writing, the Securities and Exchange Commission was slated to interpret this section of the JOBS Act in the summer of 2014. ^
21. Noah Horowitz, *Art of the Deal: Contemporary Art in a Global Financial Market*, Princeton, NJ: Princeton University Press, 2011, p. 155. ^
22. Artnet News, May 30, 2006. Accessed at <http://www.artnet.com/magazineus/news/artnetnews/artnetnews5-30-06.asp> ^
23. Tully, op. cit. ^

PROPERTY GROUP

William Powhida

My contribution, "The Yellow Building," is a drawing based on the initial efforts of a small group of artists to talk about alternatives to the current studio situation facing artists in New York City. That effort quickly became tied up in broader discussions of gentrification in neighborhoods like Bushwick and Crown Heights. Despite the assignments of blame that often accompany discussions of workspace and housing in the city, the central issue still remains one of private property ownership. I wrote a proposal called "The Yellow Building" after meeting with a different group of artists brought together by Caroline Woolard around the concept of mapping. She wanted to work with artists who had mapped different terrain of the "art world" to explore how it functioned in a post-Occupy Wall Street era where income inequality had become a symbol of generalized social inequality. Over multiple discussions, property and its value became a common matter of concern for all of us and the focus of a publication effort.

After time constraints and professional pressures caused me to recuse myself from the group, at least temporarily, I continued to think about the ways in which artists maintain studio spaces. After several informal conversations with other artists, I wrote a draft of "The Yellow Building" outlining a way in which artists might create long-term, rent-stabilized studio spaces through a form of distributed ownership. In short, I was uninterested in perpetuating models where individuals own a personal financial stake in a property based on speculative value. I hoped to create the conditions of possibility for a for-purpose studio building. The general idea was subsequently discussed over the last year and has become part of the efforts of our small group, Placeholder.

We are looking at a long-term project with many issues to be resolved including how such a building fits into an existing

community. We also need to imagine an artists' community that is more diverse than the default MFA-professional class if we want to be part of the communities in which we live and work. When I say we, I am acknowledging that the professionalized MFA-class of artists is predominantly white and not originally from New York City. We move here from other places and insert ourselves into a long tradition of artistic communities, artist migration and gentrification. It's become increasingly clear to me that artist-led projects like Placeholder need to be done in collaboration with everyone fighting for their rights as tenants in an owner-oriented society where profit, not purpose, is the economic engine. motivating the real estate industry. I also want to be able to talk about artists as a diverse community of practitioners, not a professionalized, homogeneous class of people with expensive degrees.

The Yellow Building is not a solution for all of these problems, but it represents for me, an alternative ownership model that reorients property around common purpose and long-term use which can help create stable communities. I'd like to thank Caroline and everyone in the property group for helping reorient part of my practice from a place of individual critique to collective action. I'd like to think that Placeholder is one starting point for more of us to start working and learning together.

THE FOLLOWING OPINIONS ARE MY OWN UNLESS NOTED OTHERWISE. IT'S MY FAULT.

THE YELLOW BUILDING



THE INSTIGATOR

Wants to start an organization bringing Buchnick artists together to form a collective of sorts in which artists' buy buildings together and then to proceed in Williamsburg. Sick of seeing my friends get kicked out of the Wick!

Jules

de Balincourt
KICKED OFF A PUBLIC DISCUSSION ON HIS FACEBOOK PAGE
338 86
WHERE I SHARED A LINK TO A GOOGLE DOC ABOUT THIS IDEA <http://bit.ly/19k0tH5>
WHICH ART CITY COVERED...
+
THE BLOGGER



Paddy Johnson
WHO GOT INVOLVED IN PLANNING A TOWN HALL MEETING WITH US AND

IS AN IDEA WHERE ARTISTS TRY TO BECOME THEIR OWN LANDLORDS AND STEWARDS OF THE SPACE INSTEAD OF INDIVIDUAL OWNERS... IT'S NOT ABOUT CASHING OUT ON THE PROCESS OF GENTRIFICATION... the problem is, it is mostly the new arrivals, and people who bought into the community early who reap the benefit of the change.
THE PROPERTY OWNERS RAISING RENTS UP AND AWAY! BECAUSE IT'S IN THEIR SELF-INTEREST TO. CAPITALISM

THE STATUS QUO
IS FOR ARTISTS TO PAY WHAT THEY CAN FOR HOWEVER LONG THEY CAN UNTIL THEY CAN'T AND MOVE ON! LOOKING FOR SPACE WHEREVER THEY FIND IT.
101
NO MORE ARTISTS



MAKE ART IN OLD SPACES AND LIVE SOMEWHERE ELSE BUILDING TO CONDOS
THEN THE NEIGHBORHOOD GETS FANCIER AND MORE AND MORE AND ARE REPLACED BY WEALTHIER PEOPLE WHO CAN BUY PROPERTY... AND TAXES AND FEES
RICH PEOPLE MOVE IN AND WORK SOMEWHERE ELSE TO PAY HIGHER RENTS AND MORTGAGES
TO BRAND NEW APTS RESPOND...
PROMPTED OTHER ARTISTS WHICH GROUP AND OTHER INTERVIEWED OUR WSJ
1 DAY LATER

PROPOSAL
\$000000000... IS TO CREATE A PLAN FOR ARTISTS TO BUY A COMMERCIAL PROPERTY AS A TRUST OR CORPORATION THAT WOULD HOLD THE BUILDING IN PERPETUITY AS STUDIO SPACE.
IT IS ALSO UNLIKELY TO BE A LONG-TERM SOLUTION, A LONG-TERM SOLUTION, GIVEN THAT THERE WOULD BE NO WAY TO STOP THE ARTISTS - OR THEIR DESCENDENTS - FROM SELLING THE STUDIOS AT MARKET RATE IN THE FUTURE. 8

WHAT WAS INTERESTING IS THAT OUT OF THE 101 MEETING PRESENTERS THAT I ASKED ANYBODY ASKED ABOUT REAL ESTATE. ABOUT FOUR PEOPLE SAID THEY WERE TALKING ABOUT IT. THERE'S A LOT WE CAN DO TO EMPOWER OPPRESSIVE S.C.



Vera Haller-WSJ
INTERVIEWED OUR GROUP AND OTHER ARTISTS WHICH PROMPTED OTHER WRITERS TO, WELL, RESPOND...



Kim Velsey

ACRITIC

THE ARTIST +

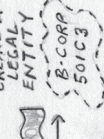


The main focus of what we're doing here is the physical work that we're trying to create a little more security for people who live very precarious lives.⁷

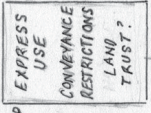
Lynn Sullivan
WHO IS DEVELOPING A PROPERTY RESOURCE FOR THE PUBLIC AND HELPING CO-ORGANIZE OUR GROUP.

STAY IN TOUCH WITH WHICH IS IN THE PROCESS OF DEVELOPING A VIABLE PLAN BASED ON ALL OF OUR IDEAS AND INPUT FROM MANY OTHERS TO DO SOMETHING ELSE OTHER THAN THE OLD STATUS Q^{UO} OF RENT UNTIL YOU CAN'T AFFORD TO OR THE BUILDING IS SOLD.

SOME ARTIST-TYPES
START A GROUP



FORM A BOARD TO MANAGE THE ENTITY
BASED ON A LEGAL AND NEW CHARTER OR PEOPLE WHO MISSION FOR HELPING CO-ORGANIZE OUR GROUP.



NO * SALE!



ACQUIRE A COMMERCIAL PROPERTY ADDRESS... AS AN ASSET FOR THE ENTITY THROUGH A MORTGAGE (HARD) OR CASH (HARDER) EXCEPT IT CAN ALL JUST BE REDUCED TO "GENTRIFYING ARTISTS WHINE ABOUT GENTRIFICATION" ^{SOME DAY} ANOTHER CRITIC



MORE ARTIST TYPES RENT FROM THE ENTITY NEAR COST (STABILIZED)
B-CORP 501C3 PAYS SMALL RETURNS (FIXED)
NO PROFIT

Smart move for artists looking for affordable, but to act as if artists- specifically college-educated young adults- are victims instead of part of the problem, is to assign and people who are trying to do the same become ever more synonymous with each other.



Artt John
ALSO RESPONDS TO OTHER ARTICLES WITH SLIGHTLY MORE HEADLINE THAN THE

WROTE ABOUT OTHER ARTICLES, GENTRIFICATION, BUT HAD THAT TO SAY, IT'S IRONIC BECAUSE THAT'S ONE MAJOR F'N THING THIS IDEA IS TRYING TO

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ANY PROFIT, SURPLUS BE USED TO BUY ANOTHER BUILDING AND EXPAND USUAL STORY, AUG 1ST 2013.

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ILLUSTRATED

WHAT DOES THIS LOOK LIKE? IT WON'T BE EASY, BUT IT'S IRONIC BECAUSE THAT'S ONE MAJOR F'N THING THIS IDEA IS TRYING TO

AND FUNDRAISE CAPITAL FROM PEOPLE SAY, IT'S IRONIC BECAUSE THAT'S ONE MAJOR F'N THING THIS IDEA IS TRYING TO

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THE YELLOW BUILDING

William Powhida

A Proposal-in-Progress for a Building That Owns Itself ¹

One of the most pressing problems for working artists in New York City is the cost and availability of studio spaces. Currently, Bushwick, Gowanus, Greenpoint, Long Island City and Harlem provide concentrations of a studio spaces. Williamsburg was home to a large number of artists and studio spaces, but the gentrification of the area by developers and professional classes has transformed the formerly underutilized industrial spaces into luxury condominiums and boutique hotels. The property values in the area have skyrocketed since the 1970s and '80s with development rapidly increasing over the last decade.

Consistently since the 1950s, artists have occupied areas of the city that were in some way underutilized. In the case of SoHo, artists squatted and occupied buildings condemned by Robert Moses for his never realized plan of bridging the East and West Side Highways. The concentration of artists studios were followed by the development of commercial art galleries, and eventually converted into a residential and retail district, but for decades, SoHo was the center of the New York art world. In the early '90s many galleries moved to another underutilized section of the city, Chelsea, due to the decline of industry in the area. Over the last decade, Chelsea transformed into the central hub of the commercial art world in the city, but it has never been an artists' community like SoHo, the East Village, Williamsburg, Bushwick or Gowanus. Unlike Chelsea, these areas were and still are able to provide both work spaces and residential living spaces at "reasonable"² costs to artists. This situation is changing rapidly in Bushwick as more artists seek out studios in the desirable artistic community. While there are a great number of artists in Bushwick, there are many more non-artists including professionals who also seeking out residential housing in

Bushwick due in some part for its reputation as an artistic community. As Bushwick transitions from an industrial area into an arts and service driven economy, landlords are presented with an increasing number of options for renting, leasing, and selling their properties. The major issue here is that landlords can transform commercial studios into residential housing or sell their properties for incredible profits to real estate developers. Landlords can make significantly more money renting to professionals than to artists who, as a class, are relatively poor compared to their peers with similar levels of education.

Generally, most artists are unable to compete economically with the wealthier classes or small businesses for control and access to commercial spaces.

Eventually, as was the case with other art communities like SoHo or Williamsburg, artists will be priced out of Bushwick without any remuneration for the cultural value they add in making areas more desirable to wealthier classes, while also being blamed for their role in the cycle of gentrification including the displacement of existing residents of communities like Bushwick. While artists can and should lobby for their communities, fundamentally the decision is not theirs to make. The use of property is determined by landlords within the limits of existing zoning laws, which can also be rewritten to suit the needs of developers. The logic of capitalism and the economics of growth is to seek a return on an investment, either through an increased sale price or rental price. It is in the property owner's interest to see property values increase. As artists contribute to developing the cultural value, specifically in the spheres of Street Art and Visual Art, of an area, exemplified by this year's huge turnout for Bushwick Open Studios and the proliferation of art galleries, landlords discover that they can increase rents and earn greater income from their personal investments.³

This is wonderful if you are a landlord in New York City or a property developer, but it is also a depressing reality for artists like myself. I

rented a studio in Williamsburg for over three years at a fixed rate from a twenty-one year lease holder below market value. The building—which he bought for \$13 million in the '80s—was recently sold to a development group by the landlord for \$68 million dollars. The development group plans on tearing down the building and replacing it with a boutique hotel marking the final transition of Williamsburg, for me, from a creative community to an international tourist destination for wealthy foreigners. None of the tenants in the building had any say or input in the sale of the building, and who could argue with the logic of such an enormous profit from the sale? From the landlord's perspective, is the deal of a lifetime and the realization of a small fortune. The economic gain clearly outweighs and social or cultural impact on the lives of the tenants.⁴ Here one individual is presented with a decision about the future of a building relative to the economic interests of the development group with money and the current tenants who cannot compete. The city sees a boutique hotel and the commercial development as a money multiplier and often shares developers' interests in "growing" the economy. The boutique hotel will create construction jobs, service jobs, while increasing tourism and spending at the retail stores and restaurants in the community that will ultimately increase city tax revenues.

Simply put, individual artists cannot compete economically with developers, although their role in the food chain of economic development is often unaccounted for and certainly never remunerated by the city or state for their role in making the neighborhoods attractive to developers and wealthier professional classes. As Caroline notes, artists are sometimes remunerated in non-monetary ways by their access to wealthier classes. It's an important distinction to understand that as a class, artists are often materially poorer than peers with similar levels of education.⁵ Artists are then displaced to less desirable (to developers and professional classes) or underutilized areas⁶ of the city like Bushwick and begin the process all over. Unfortunately, in the case of Bushwick, the

development is happening with increasing speed. Further, the development that displaces artists also displaces existing residents as well, who are also likely to be low-income, working-poor, and working class families. They are also forced to relocate in the face of increased competition for housing from wealthier individuals and businesses who are willing to pay much higher rents, often without question or likely an understanding of how their activity will impact the existing community.

Although lower-income and immigrant communities are often the most vulnerable to displacement, artists are also vulnerable to the same processes. There is a greater awareness among artists of the impact of their activity on communities and ironically, how it precedes their own displacement along with the existing communities.

This paradoxical knowledge is too often met with resignation and feelings of inevitability. Historically this process ends with a migration of artists to some other area, but New York City is a finite space, and there are only so many permutations of this process before there will be no viable alternatives for low-income artists to afford housing and studio space. It's difficult to imagine artists living and working on aging cargo ships off the coast of the Rockaways.

Instead of meeting this paradoxical knowledge with resignation, artists might consider an alternative, which involves taking control of the decision making regarding the use of the properties they inhabit by buying the commercial properties before they become economically desirable to competing groups and maintaining sustainable rental situations for the long term.

Proposed Plan for Artists and Other Working Creatives

To buy a commercial property as a trust or corporation that would hold the building in perpetuity as studio space. The trust, foundation or corporation would allow as closely as possible

for the building to own itself. Private property and ownership are not abolished, but the terms are modified to provide a way around the decision making of an individual owner or developer. This poses a stewardship model based on collective need within the capitalist market system.

There are a few key ideas to consider before getting into the complicated reality of this very idealistic proposal. The key idea is that no single individual or group owns the building. Ownership becomes oriented away from individual possession and the profit motive. Practically speaking, a business entity may be the best way to legally own the building as an asset and manage its interests.

The building, as a representation of the participants in the project, holds a few major, inalienable interests clearly defined in a mission statement.

The building's first interest is to provide studio spaces for artists and working creatives at current market value necessary to pay for itself, and to keep the rents fixed and below market value in perpetuity.

The second interest is to use any accrued value for the building to replicate itself.

The third interest is to subsidize a certain number of artists' studios for those not part of the initial cohort, when capital becomes available, after expenses are covered and reinvestment and upkeep have been met.

The fourth interest is to provide a limited number of ground-floor spaces to commercial and retail businesses in fields relevant to the arts and to the surrounding community, in order to provide revenue to support the building's primary interests. Artists don't necessarily need ground floor spaces or the foot traffic that street access affords. This also creates an opportunity to offer public-use space or provide an essential service to the community.

The building does have a fifth interest in remunerating any initial capital investments with a modest return, if possible. But all participants must recognize that the building is not a for-profit enterprise. No individual participant will be an owner of the building or any spaces within it, and no owner will be able to sublease space for a profit.⁷

Any individual participants or investors are acting on behalf of the building's interests, and its mission statement. This requires participants to adopt a hypothetical perspective of the building itself, not just of the trust or foundation, and to act as stewards of the building's primary interests. If an individual makes a capital investment during the founding of the building, they are doing so on behalf of the building.

The goal of the building is to provide a stable working environment for artists with a fixed or at least rent-stabilized rental structure for the duration of their use of the space. In market terms, the fixed rent would provide long-term savings, as the cost of renting a comparable studio space would steadily rise in other situations, before likely being redeveloped into luxury condos. Artists would have the support and stability of fixed rent, as opposed to making a return through the eventual sale of the space, or shares in the space. This incentive and continuity could also forestall the migration of artists by breaking a link in the process of gentrification and helping to end the migration of artists' communities from place to place, while encouraging a solution that includes integration rather than displacement; or cooperation instead of competition. There is a real opportunity to share the knowledge it takes to collectively buy property with existing residents and non-artists in the surrounding community and operating in solidarity with their interests. One example would be attending community board meetings in significant numbers to support local representatives fighting luxury housing development. To do this, we have to communicate, raise awareness and develop mutual advocacy

strategies to help each other. Cooperation can't stop at the boundaries of the building.

The sixth and seventh interests of the building are meta-interests, in building the environment around the building: to provide a transparent model for the building's replication by others who find the building is at capacity or who live in other places. Instead of appearing exclusionary or limited, the building is able to provide interested groups with a practical manual of how to organize, raise funds and establish another "yellow building" themselves. This also serves the building's second interest in replicating itself.

This leads to the final, seventh interest of the building, which is to establish a legacy for itself by supporting artists within a market system through the application of cooperative, communal principles, as opposed to competition. By working together, pooling resources and attracting cultural and philanthropic investors, artists might be able to challenge the current economic order and establish some control over the decision-making for their own community and gain some real agency.

This proposal for The Yellow Building, or towards a building that owns itself, is very idealistic. In application, the proposal requires an overwhelming number of legal, economic, cultural and social details to overcome the challenges any idealistic project faces. In general, I do not believe that these hurdles are insurmountable, but they are monumental, and if it was easy to create a building that owns itself, it would already exist. Having learned a little bit about intentional artistic communities and cooperative studio spaces like Westbeth, this model's most radical feature is orienting ownership away from individual self-interest towards the building's interests. It is an imperative that the building's interests be put first. This singlemindedness about the building's interests sounds a little like a new aesthetic or an object-oriented ontology, but to make this happen, we must consider the building to be a thing with its own interests that must be represented before its owner's.

Strategic Planning for the Yellow Building

At the impetus of Caroline Woolard, the first step is to form an exploratory committee to conduct a feasibility study. This study will cover many issues in order to assess whether this is just pie-in-the-sky, big-idea daydreaming or a plausible alternative to the *status quo* of private property ownership.

I've started working with a small group including Jules DeBalincourt, who initiated a large public discussion about property in Bushwick; Lynn Sullivan; and Paddy Johnson. We have reached out to a number of stakeholders to discuss what this project might look like. Our process is organized around key questions:

Is it legal and feasible to create stewardship for the building through the formation of a trust, foundation, non-profit or corporation to represent the building's interests?

Thus far, we have uncovered several models that will be added to a glossary of terms. We have found there are many legal models for cooperative ownership including specific language in a covenant that restricts conveyance (selling space/shares in the future) and use (artists/creative studio space).

We've been discussing an option that involves the formation of an L3C to create a business entity that would manage the building as an asset. This structure would allow us to find investors and avoid direct ownership of the property. We've learned that banks are not willing to finance land trusts; they are looking for a clear business model that allow a mortgage to be repaid through renting spaces.

How would the building be governed, with clearly and contractually defined terms of participation and stewardship of the building's interests? How would decisions be made? Who would be making the decisions and in what format—consensus, direct vote, committee, board?

These decisions about collective ownership and management will follow after deciding on the kind of entity that we are interested in forming.

If legal structures and forms of governance can represent the building's interests, what are the financial costs of the project?

We are starting to do basic cost analysis of real estate prices, mortgages and taxes. We are currently seeking help and advice.

Our sandbox-only numbers—not including many hidden costs such as non-usable space, insurance and maintenance—are:

building price: \$4 million

down payment: \$1.2mn

monthly mortgage: \$21,697.00

rental price to cover mortgage: \$1.60 per square foot

(A rental price of \$2.25 per square foot would generate \$117,636 per year beyond the mortgage. Charging \$5 per square foot in the ground-floor retail space would generate more income.)

Based on a cost analysis, how much money would each participant be required to invest financially in the project? How could other artists get involved if there were extra studio spaces for rent? How would investors be attracted to the project? What, if any, return might they be able to see to encourage investors? What alternative returns might they expect including naming rights or art trades?

These questions are crucial not only to the financial health of the project but to our interest in tackling problems of privilege among artists, given that a small number of artists earn most of the money in the art market. In one of our most realistic scenarios, we might have ten artists with \$100,000 to invest in the project. The

immediate issue that comes up is how the artists could be treated as investors who will recoup their investment with a possible return that will not discourage an artist from putting the money into the project as compared to some other investment option. If it becomes a situation where the ten artists become ten individual landlords with their own individual units and space to rent, it will more closely resemble a more traditional co-op model with longer term complexities involving conveyance and use.

If the project is found to be feasible, how would the planning team move forward into an acquisition phase? What would be the timeline for executing the project?

Real estate prices are rising quickly and yet there are many available commercial spaces throughout East Williamsburg and Bushwick. While there may be many commercial spaces available, many of them are not highly suitable for this type of creative studio space. There are a limited number of existing spaces in these neighborhoods, and it has been proposed that we build on top of existing single-story commercial spaces through targeted variances in zoning. This might be a possible solution, but also would require much more money, obviously, and a great deal of expensive planning. It is very difficult to achieve re-zoning, but additional foot-area rights might be attractive to investors. One of our planning meeting guests suggested a very interesting strategy to counteract the pressures of residential real estate zoning by adding value to commercially zoned areas to preserve and create working class jobs for local residents. The strategy involves building up in commercial zones to add more space for light-industry, art studios, and office space without displacing existing tenants.

How can we help protect participants against the challenges of being an artist and general uncertainties of life? What contingencies will be in place in the event of life or career changes? If the project is feasible, how would participants be able to exit? What would be the terms of the financial

commitment?

We are trying to mitigate the external pressures such as life or career change by limiting the scope of our project to work-only, rental spaces. Leases for studios will be subject to some periodic demonstration of a reasonable studio practice (broadly defined) by the governing body of the building. Subleases for artists who for various reasons (illness, residency, childbirth) will be handled by the building management to help prevent for-profit subleasing. By maintaining a rental structure, participants will be able to exit according to the terms of their lease.

If the building were large enough to allow for additional renters, what would the selection process involve? Lottery, application or some other process of selection? What would be the contractual and legal terms of the rental agreement to protect the building's interest and prevent for-profit subletting?

This is one of the most difficult issues that we still haven't discussed in any depth, other than worry about it. At this point, it seems that involvement is a possible self-selecting mechanism, although no answer will serve everyone who would want to participate. It is essential that whatever we do has the possibility of being replicated and expanded to serve as many interested parties as possible that are not already served elsewhere. Instead of focusing on selection, we will focus on replication.

If the project were to be executed, how would it be systematically documented to provide a manual for replication? How would it be distributed to interested parties?

We are not working with any pure model of transparency at this point, but are making efforts at documenting our meetings and creating resources based on our research. Lynn has created and continues to work on a resources and information document.

+++

Clearly these are only a few questions that I have thought of without ever having owned a property or participated in a cooperative studio situation, and these are short-term questions aimed at the establishment of The Yellow Building, not its future.

The name, Yellow Building, comes incidentally from using my friend Jade's pack of American Spirits to illustrate certain ideas about the building to him. It's simply the name I have in my head for the project.

Caroline Woolard, along with the Arts and Labor working group and the Mapping Working Group that includes Erin Sickler have all challenged me to think about an alternative to the current real estate situation facing artists. Caroline also challenged me to think deeply about the scale and feasibility of the project in its inception. She pointed out the enormous commitment the project requires in time, money, trust and labor. Her experience establishing and then running a cooperative studio for five years has given her a perspective on the idea that I do not have. Intellectually, I have some understanding of the responsibility a project like this would require, but even if we do not prove to be up to the task at this point in our lives, given the diversity of the participants this project would require, I still believe that a feasibility study is very much worth the time and effort. It might, at the very least, yield a proposal for others to execute, and create new approaches and alternatives to individual ownership of property—an investment that severely limits the decision-making of artists and their communities in New York.

1. Note: The proposal for a building held by a trust or corporation, not individuals owning shares such as a co-op, has only been sketched out in broad strokes. There is much work to come, but, as Caroline Woolard has pointed out, "having a project is better than not having a project." ^
2. The cost of living is much higher in New York City than most cities. ^
3. Currently, artists in the 17-17 Troutman building, which is privately owned and a busy anchor of Bushwick Open Studios, are experiencing trouble with their landlord. Another artist I know just lost his space at the 56 Bogart building, which is also privately owned. ^
4. Anne Fensterstock's book on artist migration from the 1950s onward, *Art on the*

Block, came out in 2013. ^

5. Hans Abbing has written a sociological analysis of artists called "Why Are Artists Poor" that explores these issues in detail.
<http://www.hansabbing.nl/DOCeconomist/SUMMARY.pdf>. Class is not only defined by income level. ^
6. A participant at the first town hall meeting suggested conducting our own vacancy surveys since the city routinely under-reports vacancy rates. ^
7. Technically, one avenue is to create a "covenant" during the formation of a co-op to put strict limits on what an investment share can be sold for. The building could also buy back shares from initial investors through the board or trust. It's also possible to form the building initially as a co-op and then turn it over to a trust, which is much more stable in the long term, after financing has been secured. ^

NEW YORK CITY TO BE DETERMINED

How can you understand change when you're always on the move?
The most radical thing I ever did was to stay put.

Grace Lee Boggs

Caroline Woolard

New York City To Be Determined (TBD)—a collective of which I am a member with Susan Jahoda and Stephen Kornis—is working toward a community land trust for creative technologists, internet activists, artists, designers, makers and community organizers. As we are learning, by working with the New York City Community Land Initiative (NYCCLI), a community land trust is a non-profit organization that owns property, traditionally land, and leases it for truly affordable housing, local businesses and non-profit initiatives. The deed to the land, the community land trust bylaws and the lease all require that the housing be permanently affordable. The land can never be traded or sold to the highest bidder on the private market.

How can I, a thirty year old artist who is surrounded by unemployment, soaring rents and a graduating class of 100,000 creative debtors each year in this nation, dream about belonging to one neighborhood for life? I am part of a growing community of makers, artists, internet activists and community organizers who recognize that urban community land trusts (CLTs) are a reliable model for cultural production and neighborhood resilience in New York City and beyond. Relationships take time to develop, so I want to stay put.

I want to commit to one neighborhood for life, so that I can know my neighbors, make art for my community and work with my community board. I want to build lasting relationships of trust and shared resources: cooking, childcare, knowledge-sharing, open software, healing and community organizing. What if computer engineers built open software for the neighborhood? What if artists and designers

made site-specific art, clothing and furniture for the neighborhood? What if community organizers connected people and facilitated conversations across race and class? This happens on Fourth Arts Block in New York City because a community land trust, overseen by the Cooper Square Committee, preserves truly affordable housing. It also includes experimental theater (La MaMa), cooperatives (4th Street Food Co-op), collective spaces (WOW Cafe Theater) and non-profits (Creative Time), which create a vibrant cultural economy that cannot be displaced by the real estate market.

I am excited about the importance of community land trusts and worker cooperatives as living examples of resilient institutions that keep individuals in dialog over time, creating livelihoods for underemployed creative people. I am inspired by Fourth Arts Block as an example of a just, democratic and sustainable solidarity economy that will remain an option for future generations because the land is held in trust.

The \$30,000 I received as a Fellowship stipend at Eyebeam in 2013 is seed funding toward a community land trust for rigorous, generous people in New York City. I built out and co-managed an 8,000 square foot studio space for forty artists from 2008 to 2013 off the L train, but our five-year lease is up. I know what I'm getting into. I still want more collective spaces! I would love to talk to philanthropists who are interested in land reform and the benefits of land stewardship, where bequests of land take space out of real estate speculation for the long haul, to support resilient neighborhood culture and civic engagement.

The Collective: Susan Jahoda, Stephen Korns, and Caroline Woolard

TBD is an artist-led urban development project. We are an intergenerational collective of artists who ask: How might artists support truly affordable housing in New York City?

We insist on the unity of artists and community organizers. Working in conjunction with NYCCLI, we learn together, make art, and initiate relationships across social spheres in order that we might belong to the city, and to each other, more equitably.

The Context: A Housing Crisis + Artist-Led Placemaking

If studio space and housing in New York City are too expensive for artists, what does that mean for all working poor and unemployed people? A Picture the Homeless report found that from 2002 to 2012, as the number of people in the shelter system in New York City doubled, 3,500 vacant buildings were counted in just twenty out of fifty-nine districts. How can these buildings be used?

Within this housing crisis, interest in artist-led urban redevelopment is increasing. In 2013, Esther Robinson ran an unprecedented number of workshops at ArtHome. Crowds of artists attended an impromptu meeting about buying a building in Bushwick. PS.109 neared completion. ArtPlace entered a fourth year of funding. And the Journal of Planning Education and Research stated that, "in a survey of American cities, forty-five percent of respondents had built or were planning to build artist housing as a way to revitalize neighborhoods."

2014 is a critical year of opportunity for artists to catalyze the housing struggle in New York City. With Bill De Blasio in office, the NYCCLI pilot in East Harlem gaining momentum, an increasing interest in artist-led urban redevelopment from artists, philanthropists, and developers alike, we aim to educate and organize ourselves (and other professionalized artists) whose personal and cultural geographies are shaped by dreams of affordable live and work space, despite rising rents.

Artists have historically created opportunities for developers, other businesses and gentrification, while experiencing instability and

alienation, typically viewed as a Bohemian lifestyle that serves to stimulate creativity and the capacity for self-expression. We believe that community land trusts, co-housing, intentional living and limited-equity cooperatives, among other sustainable housing models and strategies, can bring wealth to neighborhoods rather than opportunities for displacement.

Communities: Artists + Housing Organizers

Transformative engagement relies on sustained human relationships. Artists do not need to be physically or conceptually separate from larger, more comprehensive and heterogeneous communities where they live and work. The on-going project of our group, TBD, is to deepen the mutual interests and accountability of artists within communities.

For us, socially engaged art is about mutually respectful commitment, not representation. While Martha Rosler's 1989 project *If You Lived Here...* pushed the contemporary art world to look at housing struggles by bringing community groups into an installation to hold meetings, TBD pushes contemporary artists to think through their own practices of belonging in neighborhoods and to work with existing housing coalitions such as the NYCCLI.

Recognizing that artists are not a singular and un-complex constituency, we are interested in how "artists" can join coalitions comprised of all sorts of people who desire to live affordably and intentionally. We see TBD as a bridge between communities of interest. Coming to affordable housing work from a particular artistic community (made up largely of conceptual, visual and socially engaged artists with creative degrees), TBD can organize and speak to fellows artists, making the most compelling arguments for joining a broad coalition and an issue-based community.

NYCCLI is comprised of policy advocates, a governance working group, educators, and diverse academics and activists working

together to foster community ownership of land, and long-term affordable housing solutions. NYCCLI is an issue-based community whose constituents possess a wide range of references and norms.

TBD collective members have joined the Education and Outreach working group of NYCCLI to learn about community land trust strategies for New York City and to collaborate on cultural action and media production projects for the East Harlem Community Land Trust pilot. We are currently working together to make a video about the process Picture the Homeless uses to count vacant properties. Just as NYCCLI is working on a pilot in East Harlem with tenants rights organizations, TBD will work with professionalized artists and BFAMFAPhD.com—a project toward property ownership instead of student debt—to articulate the implications of affordable housing on future generations of artists in New York City, together with working poor, unemployed and low income people.

Vision + Aims

Art has the power to encourage honest dialog, cultivate empathy and inspire hope. Artists move to New York City to make art with honesty, empathy and integrity, but often understand themselves as itinerant strangers, moving from neighborhood to neighborhood without commitment to any one place. TBD aims to make space for artists who want to stay put—artists who see dialog, collaboration and exchange with one's neighbors over time as integral to a practice of social belonging.

Through information sharing, conversation and art installations, we aim to alter public discourse and collective imagination in elite art schools: moving artists from a position that is itinerant and temporary toward an increased regard for artists with an enduring commitment to place-based work. We continue to learn together, asking: What conditions made land stewardship possible in the '60s, '70s, and '80s? What knowledge might contribute to our current actions? We aim to create a resource for artists and a

network of community land trusts with NYCCLI that provides affordable housing and work space to all people in New York City. By providing models for artist-led urban redevelopment, we insist on affordable space that extends beyond the creative class.

TBD Collective Members

We are Stephen Kornis, Susan Jahoda and Caroline Woolard. Stephen Kornis brings thirty-seven years of living in New York City, designing and implementing large-scale public art works in this country and in Europe. Susan Jahoda brings twenty-five years of work in collectives, socially engaged practice, and teaching. Caroline Woolard brings five years of experience co-founding collaborative platforms, a studio project that has provided forty artists space since 2008, and barter networks OurGoods.org and TradeSchool.coop, now used by 10,000 people in fifty cities internationally. We have worked together for over a year, and with NYCCLI since late 2013. To join us, email info@nyctbd.com or visit <http://nyctbd.com>.

III. Appendices

About The Contributors

ABOUT THE CONTRIBUTORS

Pablo Helguera is an artist working with installation, sculpture, photography, drawing, socially engaged art and performance. Helguera's work focuses on a variety of topics including history, pedagogy, sociolinguistics, ethnography, memory and the absurd, in formats that are widely varied including the lecture, museum display strategies, musical performances and written fiction.

Michael Mandiberg is an interdisciplinary artist, scholar and educator whose work explores diverse subjects, including environmentalism, systems of exchange, pedagogy, software art, collaboration, Free Culture and appropriation. He is the co-author of *Digital Foundations* and editor of *The Social Media Reader*. He is an Associate Professor at CUNY and Director of the New York Arts Practicum.

William Powhida is an artist-critic-collaborator, writer and emerging activist in New York responsible or partly responsible for exhibitions including *Overculture* at Postmasters Gallery, *Bill by Bill* at Charlie James Gallery, *POWHIDA* at Marlborough Gallery, and *#class* at Winkleman Gallery. He is an infrequent contributor to *ArtFCity* and *Hyperallergic* on issues of artistic activism.

Amy Whitaker is an artist-teacher-writer at the intersection of business, art and everyday life. She has an MBA from Yale in economics and an MFA from the Slade in oil painting. She is on faculty at the Sotheby's Institute and SVA, and has also taught at RISD, LMCC, Trade School and Occupy Wall Street. She is the author of *Museum Legs* and is at work on a book about art thinking.

Caroline Woolard graduated from the only tuition-free art school in the country with a strong commitment to the solidarity economy movement and to conceptual art. After co-founding and co-directing resource sharing networks OurGoods.org and TradeSchool.coop for five years, Woolard is focused on *New York City To Be*

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