Prologue

Imagine that you are in your studio, or at the desk of the office where you work, or in the classroom where you study. You are temporarily lost in thought about your creative process, thinking about what you will work on next, trying to make something of value. But how do you settle on a system that constitutes quality? How do you reconcile your own vision with the jury of institutional gatekeepers who curate artistic quality and keep score on your art practice?

Further, underlying this tug-of-war between vision and being viewed are the details and anxieties of your own condition as an economic self. Your time is limited due to work, or the process of looking for it, while the pressure to achieve the kind of production that will produce results fills every remaining free moment. Finally, if you are like the great majority in this situation, debt trails you, adding to your urgency, and translating into real-world pressure.

You’re trying to navigate the waters of success and freedom while managing the anxiety of your economic reality, shaping the way your artwork looks and operates in order to ensure that it fits into a perceived class context which can financially support your practice and pay off the very education that taught you to question authorities and experiment at will. It’s a creative narrowing based on a gamble that pulls you ever deeper into systems of extraction. What’s needed to break this cycle is to rethink the dynamics of artistic success.

Art as Extraction

There is a trap hiding behind today’s prevailing idea of success in art, and the only way to evade it is to begin visualizing it. In order to do this, we must take a step away from the figure of the artist, and a step closer to this thing that we now call a “market,” so that we can look deeper into the mechanics of support. The contemporary art market is one of the largest deregulated transaction platforms in the world—a space where Russian oligarchs launder money, real estate tycoons decorate private museums for tax benefits, and celebrities of fashion, screen, and music trade cash for credibility. It is a domain in which pyramid schemes are dressed up in the highest cultural trappings, and a speculative concoction of inflated valuation and hedge-fund impatience feeds an elite a sliver of art’s current practitioners—the upper tier of which embodies the luxury end of today’s gaping economic divide.

If treating a museum like a Fendi store is not problem enough, then planning it to be built on the backs of indentured workers whose passports will be confiscated on their arrival ought to be.

It might at first seem that this art-and-money party is just a festival of excess feeding on nothing but hot air and hyperbole. However, value in the art world is not built up from nothing, as many might argue. Rather, it is built from the captured labor of a nearly invisible lower class that is either meagerly paid by, or pays into, the very same myth that feeds the highest tier transactions. The relationship between the profiting minority and the perpetually subsistent majority of cultural producers is therefore tightly knit, because value, on all levels of the art world, is dependent on various forms of extraction. Perhaps the best overview of this model can be found in Gregory Sholette’s book Dark Matter, in which the shadow-work of artists working as museum guards or café workers, adjunct professors, blog writers, artist assistants, gallery staff, and unpaid interns at publications and institutions collectively create the actual value in the art world. Sholette conceives this community as the base of a pyramid with high value assets at the top.¹ Put simply, any market that is without this level of value-added involvement will lack the excess
cultural production required to support a market concept such as “early blue chip” artists—an oxymoron of stupefying proportion.

Beyond labor, these artists in the shadows add essential meaning and context to the whole affair. As Sholette points out, artists make up the core audience when going to see exhibits and fairs, buying books, attending talks, and then processing and sharing their cultural—not monetary—investments widely. Further, this brings an air of hipness and intellectual relevance to contemporary art, which is ripe for extraction by all sorts of corporations, investors, and speculators. In short, the global art world is now equivalent to a luxury lifestyle brand, attracting celebrities, politicians, and royalty.

Perversely, although most critical thinkers are likely skeptical of advertisements, understanding that a “corporation” is simply programming one to “consume” their product and associate one’s own values with that of their branding, most participants in the art world blindly maintain brand loyalty to major museums and artists who help to form their image of artistic quality. What is it that allows individuals to be resistant to corporate branding, protecting the “self” from entanglement in “product,” yet not to consider the authoritative process of value creation in the arts in relation to the extraction of value from themselves—either as student, art worker, gallery-goer, or teacher? The answer to this rests in the locations of the greatest authority: the museums.

Museum as Ratings Agency

Today, museums function like a governmental ratings agency in their relationship to the art market. Unlike art fairs and auctions and art schools, museums and related art institutions have a charge to exhibit art for the broadest public through collection, exhibition, and publication, and in doing so they perform the clerical function of interpreting meaning and ultimately forming a canon. Top museums therefore hold the symbolic power of appointing or “making” art’s value. So, if we think of art as a currency—albeit a fiat currency—then the museums are essential at guaranteeing its credibility, much like a government might back the value of its currency. This process puts museum board members (many of whom are collectors themselves, and in some cases, board members of auction houses, representatives of corporate collections, or stakeholders in their own private museums) in positions of tremendous power to influence art value. This type of financial leverage runs parallel to the revolving door between the US government and Wall Street—the fulcrum on which America’s economic disparity is tipping toward a new aristocracy. However, whereas White House/Wall Street unscrupulousness is nearly universally reviled, the financial misconduct within major museums has been widely overlooked.

Why, then, do art world citizens tend to look the other way from such corruption? One likely answer is that few to none feel they can afford to insult the deities of cultural capital within such an intensely networked sphere. Another answer is that the museum is so central to the definition of art that it cannot be wrong, any more than art as a whole could be wrong. But what if, instead of seeing the museum as “art,” we viewed it as its “board,” its “funders” or all of the executives behind the scenes who control its operations? Some of us love the museum, some of us hate the museum, and many of us maintain a love-hate relationship to the museum—but few dare to question whether its transition into a luxury branding enterprise might actually be doing serious harm to the artist community which supports it.

Not since the Art Workers Coalition (1969–71), and only after the financial crash of 2008, has a substantial avalanche of voices emerged to overtly politicize the conflicts of interests woven into museums, their politics, and the people who control them. However, unlike the effective and dramatic gestures of a then-insulated art
world, the current financialization of museums is getting worse in the face of contest, not better. For example, with the Guggenheim expansion to Abu Dhabi, we are witnessing a transaction in which the museum has converted its prestige directly into liquid capital. If treating a museum like a Fendi store is not problem enough, then planning it to be built on the backs of indentured workers whose passports will be confiscated on their arrival ought to be. Apparently when Guggenheim signed this contract, the thought that social responsibility might be a necessary dimension of their brand—whose real value has been built up by generations of artists and curators, writers, and, of course, audiences—did not cross their mind.

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The issue of value extraction by museums can be parsed out by measuring actual rather than feigned sincerity to serve a wide public. Consider the recent sprouting of private museums built largely to take advantage of tax loopholes in which museum donations are fully tax deductible. Often these museums, with supposed missions to serve the public, sit on remote properties adjacent to their benefactors’ estates. This trend furthers a culture of institutional bad behavior, muddying the process by which cultural relevance can be transparently achieved, and creating a deeply cynical psychology in the artist as she or he tries to make their way in society. Within this dynamic, the individual artist risks being perceived as a paranoid defeatist if they challenge the system rather than surrendering to it—or worse, the artists perform a copycat corruption in their practice, a tactic seen and rewarded in leading figures of the financialized era.

Such circumstances present a classic Neoliberal dialectic that makes a further left resistance to leading institutions nearly impossible, as museums are deeply involved in politically progressive positioning. This is invoked through an exhibition’s targeted programming, educational outreach, and liberal-minded sponsorships made to burnish the left credentials of the brand without interrupting free market funding relationships, which usually directly contradict the window dressing. This is not to discredit any of these efforts when they are for the good, but to remove a mirror that doubles those good deeds, exposing the diametrically opposed relation of the handout and the handcuff. As example, PS1 trumpets “Zero Tolerance,” a worldwide show on art-activism of recent years from China to Palestine, while conspicuously omitting the NYC artist-activists who have demonstrated against economic and racial inequality. Yet the riddle is revealed when it is understood that these banks, gentrification moguls, and Wall Street-billionaires-turned-mayors make up the museum’s funders. The result is that instead of presenting a tool to contemplate the political present situation, a guided tour through political Disneyland is offered. Or consider the double functioning of Kara Walker’s Creative Time-commissioned sugar sphinx, a sculptural and conceptual masterpiece. It called on an unusually broad audience for site specific work to contemplate racial symbols on an undeniable scale, yet was also set up as a buffer against protest over the giant luxury condominiums soon to be erected on that exact site, bringing the developers, Two Trees— who also happen to be the funders of the work—greater security for their investment, which itself marks a final end to that neighborhood’s association with bohemia.

The further one goes down this rabbit hole, the more figures emerge into view that seem to embody the entire process of extraction. For example, consider how a percentage of collectors and museum board members are major players in the real estate market. These figures enjoy asset value growth from Sholette’s “dark matter”:
the young and indebted artists willing to get on the ground floor of pioneering ventures on one hand, while simultaneously creating the support system for the top of the market on the other.

Facilitating a microcosm in which the artists they purchase are likely to employ studio assistants who were just evicted from the very properties in which they are stakeholders, thus allowing a far more philistine “luxury” consumer to enter and complete a multi-phased gentrification cycle that whitewashes any remnant of diversity, dissent, or digression from the region.

**Debt as Crime**

The most extractive and disempowering mechanism of all, and one that truly threatens to poison the roots of the artistic ecosystem, is debt, with student debt leading the charge. The cost of art schools, which unlike many universities depend almost wholly on tuition, is soaring and unmoored to any potential to pay it off. This kind of debt—the art kind—is among the worst to take on in relation to projected earnings; however, to well-buffered investors, it’s a perfectly fine SLAB (Securities Lending and Borrowing) to be packaged and short-sold. In a climate in which it is common for young artists to graduate with nearly $100,000 of debt for their BFA, followed by costs of an MFA upwards of $41,300–$108,900, entering the art world has become an existential, unpayable gamble with real-world effects immediately upon graduation, and in some cases before the student has earned a degree.

Easy loan money has been sold as an American middle class privilege, opening the doors to higher education. But this debt is attention away from making artwork; debt is the loss of time, agency, and choice.

This puts said group squarely to work, adding value to individuals and institutions who are better placed to capitalize. Examples of those who profit from the cheap artist-workforce are the established artists who can easily get away with paying highly educated and skilled assistants minimum wage without benefits; art fairs who hire non-unionized labor to create temporary markets; institutions needing in-the-know labor for performances, activities, and other venues requiring part-time support; and galleries who frame their interns and gofers as the lucky few. Of course, this is a bleak summary of the labor landscape, and it does not reflect the circumstances of fairly paid or well-supported studio staff and institutional employees, but it is inarguable that the lesser paid and unpaid far outnumber the well compensated, mostly because the extractive culture allows such treatment, supports it, and helps it to proliferate through growth and expansion without planning for an infrastructure to support and fund it.

So before you sign that paper, consider all of these
extractive dimensions of the art market as a whole, and take in the larger picture of its current culture and relation to class dynamics. Not only do impractical levels of debt make an autonomous art practice a perpetually unreachable aspiration, but it has the double effect of making art into such a bad deal that it repels entire classes, races, and cultural groups of people from the art world—a cycle that further homogenizes art’s culture of money, class, and tokenism. To many who are less privileged and limited to viewing their prospects through a practical financial lens, such extractive mechanisms are quite obvious, sending up red flags from the get-go. However, these flags are rarely visible to those lured to dream by the vision—and pedagogical propaganda—of artistic stardom, cultural coolness, and, most ironically of all, individual freedom in the form of creative expression.

Epilogue

I have tried to describe how all sorts of art institutions and individuals are tied together into a process that subtracts value from some as a means of generating exponential value-multiplication for a very few. From museums, to real estate projects, to public art, to art schools, this machine is still ramping up. So what can be done? The first level is recognition; if we allow ourselves to see things clearly, we will see that they will likely get much worse before they get better. As example, student enrollment in higher education art programs continues to rise, while programs continue to proliferate in the form of specified MFAs, curatorial programs, programs in public arts, performance, and more, an increase in overall debt that can only escalate the conundrum described above. On the other end of the spectrum rests the booming museum luxury complex and its hyper-financialized global expansion. Diluting the power of the public sphere as they harvest common value and feed it into luxury assets, these museums are not the inclusive structures of the past, but exclusive enclaves of the ultra-wealthy.

Yet, we can say that although these educational and institutional exploits have been the dominant economic direction over the last few years, the Neoliberal myths that are essential to their continuation are no longer universally accepted. No longer are dissenters silent. The recent efforts of Occupy, 15M, Cassarole, Indignados and others have touched the arts deeply, exposing the parallels between the moral failure of the banks, and the cultural failure of institutions. As a result, multiple art-focused groups were spun out of these larger movements—Occupy Museums, Arts and Labor, Teatro Valle Occupato, StrikeDebt, Artleaks, Hauben un Brauchen, Gulf Labor, Global Ultra Luxury Faction, and Liberate Tate, to name only a few. Each is a petri dish for developing tactics to challenge an extractive system; each is an incubator of the value of collectivity.

This value pushes back against the primacy of the individualistic picture of success: the non-allied artist-turned-brand whose only mission is to climb an extractive ladder toward branded museums, stepping on the bodies of “dark matter” to become one of those who can enjoy the fruits of speculation. This does not mean that solo practice is not a means to arrive at richly meaningful territory: it always will be. Therefore, a reformulation of artistic value is needed; one that takes every single person involved in the art world into account as visible partners in common value creation. This is a long-term project and art’s major challenge for the foreseeable future. Much better art will come out of it.
Endnotes

1 Dark Matter: Art and Politics in the Age of Enterprise Culture by Gregory Sholette, Pluto Press, 2011

2 In a now-famous case of conflict of interest, the New Museum’s Skin Fruit, (2008) exhibited works from boardmember Dakis Jouannou’s collection, curated by Jeff Koons who is also heavily collected by Jouannou. Many major board members have private museums while also heavily playing the market from Eli Broad, trustee at MoMA and MOCA and the Broad Museum to Robert S Taubman, member of Sotheby’s board with the Taubman Museum of Art etc. From a 2008 ArtsJournal article, here are some excerpts from “Museum Trusteeship” by Alan and Patricia Ullberg, published in 1981 by the American Association of Museums.

   The trustee’s own acquisitions must not compete with his museum’s; he is obligated to put the collecting ambitions of his institution before his own. The collections management policy should itemize in detail the collecting interests of the museum so that trustees who collect are put on notice that certain activities related to their personal collecting must be circumscribed while they serve on the board….

   The ethical standards that the board adopts for managing potential conflicts of interest for trustees are, in some museums, the same as those applied to the staff. The rules for staff with respect to collecting generally aim to prevent situations in which staff members compete with the museum or profit from their positions or official duties….

   The trustee who collects could be liable to the museum for profits he makes as a provable consequence of actions taken by the museum if his participation was a major influence in the institution’s decision to take those actions. Such a case might occur, for example, if he persuaded the museum to hold an exhibition of objects represented in his personal collection and then was able to sell those objects at a profit. Whether his objects were exhibited or not, there is a conflict of interest and potential liability to the museum in this situation.

3 Some caveats are needed for this statement. First, I’m speaking only to arts in the United States, and do not mean to ignore the important work carried out by the many individual artists and groups working loosely under the institutional critique mode, from Hans Haacke in the 1960’s (a member of AWC) to artists of the 80’s and 90’s such as Coco Fusco, Fred Wilson, Andrea Fraser, and many others. However, I am pointing out that these artists did not enjoy the support of large social movements in their critical examining of museums and also, it could be said that without a movement, the work functioned first as artworks and only secondly as political campaign, which is probably the reverse of AWC and OWS-related practices.

4 The Kafala (Sponsorship) System is used in a number of Gulf states and required immigrant workers to have a sponsor while working, thus forfeiting a number of individual rights such as retaining their own passports, and relating to payments for their journey. During Gulf Labor’s 2014 trip to Saadiyat island, members were able independently monitor the situation and found that no worker they interviewed was in possession of their passport and that workers carried heavy debts, although UAE development corporation said much the opposite. For more information, please see Gulf Labor’s recent report: http://gulflabor.org/saadiyatreport2014/


6 Although the SLAB market has since cooled somewhat, as recently as 2013, the Wall Street Journal reported that “Student Loan Securities Stay Hot” March 3, 2013 by Ruth Simon, Rachel Louise Ensign and Al Yoon: “SLM Corp. the largest U.S. student lender, last week sold $1.1 billion of securities backed by private student loans. Demand
for the riskiest bunch—those that will lose money first if the loans go bad—was 15 times greater than the supply, people familiar with the deal said.” To learn more about these securities, I recommend reading *Creditocracy and the Case for Debt Refusal* by Andrew Ross, Or Books, 2015.


   Additionally, in a recent study by Citizens Financial, 49% of students reported considering dropping out because of debt. “Debt Has Some College Students Thinking About Dropping Out.” By Katie Lobosco, October 9, 2014, CNN Money. Here is the report: [https://www.citizensbank.com/pdf/student-loan-debt.pdf](https://www.citizensbank.com/pdf/student-loan-debt.pdf)