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Capitalism as Readymade: 5.5 Case Studies

Nathan S. Rayman
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Capitalism as Readymade: 5.5 Case Studies

by

Nathan Sinai Rayman

Submitted in partial fulfillment of the requirements for the degree of Master of Arts Studio Art, Hunter College The City University of New York

December 2018

Thesis Sponsor:

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INTRODUCTION

This paper presents five and a half case studies in an effort to situate the context of my project GALLERY by GALLERGALLERYGALLERY as an artwork repurposing capitalist systems as readymades: Paul Durand-Ruel, Dia Art Foundation, Hans Haacke’s *On Social Grease* (1975), Damien Hirst’s *Beautiful Inside My Head Forever* (2008) and *For the Love of God* (2007), Google, and a bit of Marcel Broodthaers.

Throughout the paper, I will explicitly or implicitly touch on three themes as I define them here: cultural capital, debt, and speculation.

An artist accrues cultural capital through social/professional networks, education or training in a particular way of art making, and intellectual and conceptual knowledge. To build the cultural capital, an artist often accumulates a form of debt, which takes shape as immaterial investments combined with social investments: MFA degree, studio rent, material costs, time. With increased immaterial and social debt over time, the artist’s potential output may increase. And over time potential value of artistic output accrues with social exposure. A significant factor in the amassing of cultural capital is tied to the rebellious personality of the artist. The cultural and social pariah is valued in the arts because it allows for the emergence of duplicity. Duplicity permits the artist to navigate different intersections of the art world and the mainstream.

Speculation is the gamble on an artist’s debt in the hope of turning a large profit at high risk. The speculator bets on artists whose debt seems well positioned to gain significant social capital. The speculator tries to supports these artists early enough that the ratio of debt to social capital will, over time, come out in favor of output with increased value. The speculator exchanges money for the artist’s output usually when the artist’s debt is high and supports the
artists in a position of a financial and social pariah, helping to inflate the potential value of output. The speculator bets that the artist’s eventual increase in social capital will translate into higher value output and, therefore, higher profits.
CASE STUDY: PAUL DURAND-RUEL (1831-1922)

By the second half of the nineteenth century the idea of art as investment was well entrenched, and it was understood that the investments that produced the best returns were made in the works of contemporary artists… The phenomenon of Durand-Ruel was a product of the collision of art and commerce in an increasingly entrepreneurial age.

- Philip Hooks, Rogues’ Gallery

Durand-Ruel trusted his instinct in the potential of Impressionism and sold that promise through innovative promotional and sales techniques. In the early 1870s, he began speculating on the Impressionists with income earned from sales of paintings by more conventional, academic artists. As time went on, he even supported the Impressionists with stipends during difficult periods, sometimes with money he did not have, because of his belief and investment in them artistically and financially in the long term.

While Durand-Ruel would support the Impressionists financially and emotionally, he also suggested what qualities might make a sellable painting. He asked Pissarro and Monet to make more landscapes without prominent figures or without figures altogether to which the artists responded with disdain. Nevertheless, Durand-Ruel discovered the secret to successfully selling new, avant-garde work to the public: he shifted the sales focus from an individual canvas to the arc of an individual artist’s career and transformed his role from purveyor of paintings to educator of difficult art. To facilitate this new sales strategy, he pioneered what we now familiarly know as the artist’s solo show. He described this new strategy as “the promotion of temperaments”, 1 a strategy still used today, as I discuss with regards to cult of personality cultivated by Damien Hirst.

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1 Hook (p. 115)
2 Ibid. (p. 116).
3 Ibid. (p. 119).
Durand-Ruel also pioneered the cultivation of artist as brand:

[Durand-Ruel’s] active branding of artists as commodities, paying stipends to them, nursing them through various price levels by a carefully judged series of commercial gallery exhibitions, maintaining their price levels by monitoring and if necessary manipulating the performance of their works at auction, all are features of the sophisticated contemporary art market of the twenty-first century.2

Because he was one of the first to employ exclusivity agreements with artists as part of the brand cultivation, he also established the first dealer brand. When shopping for an Impressionist painting, many collectors would prefer a “Durand-Ruel Monet” to an “off-brand Monet”.

Durand-Ruel innovatively manipulated the market. He would artificially inflate prices of artists in whom he had invested by having representatives bid on his behalf. Much of the initial fervor behind Monet’s success derived from tactics where Durand-Ruel would sell a new Monet painting at auction and, after artificially inflating the price with underbidding, buy it back under a false name. He also took exhibitions of his artists on the road. When markets slumped in France, Durand-Ruel took the landmark step of shipping 300 paintings to New York in 1886 to mount a show in to wide acclaim and with twenty percent of the work sold. Not a terrible first showing of new art to a new market. He opened a New York gallery in Madison Square Garden so that people “would go look at [his] pictures between boxing matches”.3

He understood the importance of promotional material originating from credible sources, like critics, but also from museums. Mounting shows in German museums helped his Impressionist sales in German outposts. In the rare competition with other dealers, like Georges Petit, the glamorous trappings of the exhibition space became increasingly important as a differential sales strategy, which solidified the notion of Impressionist painting as luxury good.

2 Ibid. (p. 116).
3 Ibid. (p. 119).
In the author Emile Zola’s research notes about Parisian dealers for his novel about the art world (*L’Œuvre*, 1886), he makes a statement that could be mistaken for one regarding a Hirst sale, writing of Parisian dealers and collectors who increased the value of an artist through market manipulation as “stupid collectors who knew nothing about art and who bought a painting as [they would] buy securities on the stock market”.

Durand-Ruel dealt innovatively with the rising tide of criticism that Monet’s prolific output made him akin to a painting factory. In 1908, Durand-Ruel made a grand announcement about an upcoming New York exhibition of new Monet paintings; then he cancelled it one week before the opening. He used the cancellation as an opportunity to declare that Monet destroyed all the paintings not deeming them fit for exhibition. Whether true or not, this only increased the market for future Monet paintings, particular in the US market.

Durand-Ruel laid the foundation of the modern gallery system; a system that evolved into what we see today with a cycle of debt, cultural capital, and speculation defining the flow of capital and capitalizing on the rebellious “temperment” of individual artists. Later I discuss the adoption of these strategies by an artist: Hirst.

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4 Ibid. (p. 121).

5 Ibid. (p. 123).
CASE STUDY: DIA ART FOUNDATION

Dia was conceived by Heiner Friedrich, a German gallery owner who moved to New York in 1971 and exhibited work by artists the likes of Joseph Beuys, Dan Flavin, John Chamberlain, Walter De Maria, Cy Twombly, and Andy Warhol.6 Having already financed some early Michael Heizer Earthworks, Friedrich’s excitement for the Land Art movement brimmed with a 1969 visit to massive earthworks by Heizer and De Maria, Double Negative (Fig. 0) and Las Vegas Piece (Fig. 1), respectively. Friedrich became entranced by both these Earthworks and

Fig. 0. Michael Heizer, Double Negative, 1969-70, MOCA.

Fig. 1. Walter De Maria, Las Vegas Piece, 1969, not maintained.

6 Tomkins (p. 047)
early Minimalist artworks for their negation of the current style, their radical gesture to move against everything Impressionism had started. The massive scale of the ambitious Earthworks and the essence of Minimalism emphasized a detachment from handmade, expressionistic gestures of mark-making. They professed a utopic vision, before being ultimately compromised as fashionable decor.7 At the inception of these new modes of artmaking, Friedrich was inspired to participate. In his search for funds to support these innovative artists, he ultimately found like-minded fervor for these works in art historian Helen Winkler and oil heiress Philippa de Menil. Together they founded Dia in 1974.

In support of artwork grounded in site-specificity, they named the organization after the latin word for “through”. In keeping with the spirit of the type of artwork it supported, Dia first existed without a fixed location. It provided ambitious financial support for a select number of artists, initially Flavin, Chamberlain, De Maria, and the newly added Donald Judd, in the form of generous stipends8 and swaths of underdeveloped, uninhabited, or defunct real-estate purchased on their behalf. These became De Maria’s Lighting Field (fig. 2), James Turrell’s Roden Crater (fig. 3), Judd’s Marfa (fig. 4), and others.

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7 Ibid.
8 Ibid. (p. 48). Judd reportedly earned $17,500 per month.
Fueled by excitement and oil money, Dia gradually established a permanent presence in New York City with the goal of bringing this art to the public. First, Friedrich’s two galleries in the dilapidated, post-industrial Soho neighborhood became the permanent locations for two previously temporary installations by De Maria, *New York Earth Room* (1977) (fig. 5) and *Broken Kilometer* (1979) (fig. 6). Dia purchased more New York City real-estate in defunct industrial neighborhoods for other site-specific projects. When the eighties oil crisis depleted de Menil’s funds, Dia actually increased its permanent presence in New York City.
To stay afloat, Dia became a non-profit, which freed up cash through tax-exemptions. It bolstered its status among the wealthy to soliciting tax deductible, charitable contributions. It cut funding to the Dia-reliant artists, contracting its activities into a tighter radius. Dia sold much of its Manhattan real-estate and consolidated its operations to buildings in Chelsea. Friedrich resigned.

With Friedrich departed and non-profit status in hand, the new leadership decided to deaccession artworks from its collection. Many of these artworks were originally acquired or gifted by Friedrich and de Menil, who had intended them to be permanently part of the collection, in line with their original intent of supporting individual artists’ production, output, and entire career. While Dia did deaccession some of its collection through auction, most was reshuffled to other Dia-related entities in which all parties would benefit from the newly acquired tax-exempt status through a kind of insider trading. Dia had previously helped establish the Andy Warhol museum in Pittsburgh and now donated over 150 Warhols. Philippa de Menil’s parents had established the Menil Collection in Houston in 1987, and it purchased a number of Dia’s Twombly paintings for what would be its new Cy Twombly Gallery.

Dia:Chelsea, officially established in 1987, put Chelsea on the art world map. The reincarnated entity initiated a program of ambitious year-long projects by single artists, many of whom came from the pool of Dia’s previously funded artists. However, Dia never fully recovered from the effects of the eighties oil crisis, which marked the beginning of perpetual financial uncertainty.

Establishing Dia:Beacon in 2003 in another post-industrial building renovated to exhibit art, only enhanced Dia’s cravings to further develop its Chelsea footprint, but it could no longer afford the real estate. After much debate, trial and error, and fundraising attempts, in 2013
director Philippe Vergne resolved, amid much controversy, for Sotherby’s to hold an auction of a selection of artwork from the Dia collection, including the remaining Twombly paintings. The combined auction lots were estimated at $20 million. Opponents to the pending auction spoke out. Among the most vocal, the now divorced Friedrichs filed a lawsuit to halt the auction, not only because of they felt it contradicted Dia’s founding principles to support and cultivate individual artists’ careers for the long-term and to make their work available to the public, but also because they had donated much of the artwork. They claimed “[t]he auctions would be a breach of an ‘implied covenant of good faith and fair dealing’ with the Friedrichs and the artists who made the works”. To the Friedrichs’ dismay, they could not prove on paper their original stated intent to maintain these artworks in perpetuity as part of the permanent collection and to make them accessible to the viewing public. Prior to auction, Vergne declined the Menil Collection’s offer to purchase the Twombly artworks because he believed he could fetch a higher price at auction, saying, “My responsibility is first to Dia”.10

Vergne first announced that this sale was crucial to raising enough capital for the build-out of the Chelsea buildings.11 Four days after that statement, Vergne announced that most of the funds raised at auction would actually be used to acquire a large selection of artwork already on long-term loan from the Lannan Foundation.12 One day after publishing Vergne’s revised intentions, the Friedrichs withdrew their lawsuit, stating that, although they believed the sale to

9 Kennedy, Randy. "2 Founders Of Dia Sue to Stop Art Auction."
10 Ibid.
11 Ibid
12 Tompkins (p. 50). The relationship between Dia and the Lannon foundation stretched back over a decade when Govan had approached Patrick Lannon, Jr. in 1997 to assist with funding Turrell’s Roden Crater and a work by Heizer. Since then, they partnered in realizing these and many more artworks with Lannan’s funds and Dia’s administration. In fact, Lannan donate $10 million to realize Dia:Beacon.
be not only “utterly wrong”, but also “against Dia’s mission”; claiming Dia as their “precious child”, they did “not wish to continue to oppose it through legal action”.

The artworks went to auction at one of the most sought after auction evenings of the year, bringing together “a global group of trophy hunters looking to buy and a handful of major collectors choosing the same moment to sell high-profile artworks, many of which have never been on the auction market”. In fact, the Friedrich lawsuit increased the publicity for and allure of Dia’s lots. By the end of the evening, the total sale reached $38.4 million.

Nearly two months later, Vergne was named the new director of the Museum of Contemporary Art (MOCA) in Los Angeles. A six month search for former director Jeffrey Deitch’s replacement overlapped with Dia’s auction at Sotheby’s. Prior to the auction, one of the only factors against Vergne’s selection was his opaque fundraising history.

At the end of 2014, under Jessica Morgan’s directorship, Dia announced that the original Dia:Chelsea, Center548 at 548 W. 22nd Street, had been sold to a real-estate acquisition group for $39.9 million. By the summer of 2018, Dia repeated the recurring refrain that it would renovate and expand its post-industrial buildings in Chelsea, Soho, and Beacon. Morgan stated that

[t]he idea of new architecture is so antithetical do Dia...I wanted [the endowment to support artists, programming, and acquiring new works] to be the focus of our fund-raising and not spend the money on real estate…[thinking] very carefully about trying to keep those costs to a minimum and keep our endowment at a maximum.

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13 Kennedy, Randy. "Dia's Auction of Artworks is to Proceed."

14 Vogel. "With hard sell, pricey art comes to auction."

15 Ibid.

16 Finkel

17 "Former Dia Building"

18 Sheets. "Dia Art Foundation To Revamp and Expand."
In the fall of 2018 Dia partnered with Calvin Klein to mount an exhibition of Andy Warhol’s *Shadows* (fig. 7). The 102 panels – originally commissioned by Friedrich in 1978 and the last remaining Warhols in the Dia collection – were restored with Calvin Klein’s sponsorship. The exhibition was mounted in Calvin Klein’s Manhattan headquarters.¹⁹


¹⁹ Cascone. “Andy Warhol’s Epic ‘Shadows’.”

Hans Haacke first exhibited *On Social Grease* (1975) (fig. 8) in a solo show at John Weber Gallery in New York City in 1975. The work consists of 6 photo-engraved magnesium plates mounted on aluminum like “commemorative plaque[s]” that would look “at home in the lobby of corporate headquarters or in the boardroom”. Each plaque contains quotations from titans of industry, politics, and/or business, who also wielded influence within the arts, stating how corporate business benefits from supporting the arts. The title of the work was inspired by Exxon manager Robert Kingsley’s statement that “Exxon’s support of the arts serves the arts as a social lubricant”. The most revealing quotation in the series about corporate activity in the arts may be by David Rockefeller from a 1966 speech given to the National Industrial Conference Board:

From an economic standpoint, such involvement in the arts can mean direct and tangible benefits. It can provide a company with extensive publicity and advertising, a brighter public reputation, and an improved corporate image. It can build better customer relations, a reader acceptance of company products, and a superior appraisal of their quality. Promotion of the arts can improve the morale of employees and help attract qualified personnel.  

*David Rockefeller*

**Fig. 8. Hans Haacke, *On Social Grease* (1975), detail, Paula Cooper Gallery.**

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20 Haacke (pp. 137–143).

21 Bois (pp. 23–48).

22 Kingsley was the Manager of Urban Affairs in Department of Public Affairs at Exxon Corp and Arts and Business Council President.

23 Bois, Yve-Alain, et al (pp. 23–48). The quotation is from the article “Business Aids the Arts...And Itself” by Marylin Bender.

24 Rockefeller was the Vice Chairman of the Museum of Modern Art, the Co-Founder and Director of the Business Committee for the Arts, and the Chairman and CEO of Chase Manhattan Bank.
In *A Conversation with Hans Haacke* published in a 1984 edition of *October*, Haacke tells Yve-Alain Bois, Douglas Crimp, and Rosalind Krauss, that while he likes to play with tropes of visual language within his socially-engaged, contemporary art world (not what Crimp describes as “hermetic ‘avant-garde’ art”), he desires to make his work accessible to a wider audience, not caring for the “histrionics of the art world”. When discussing *On Social Grease* explicitly, Haacke points out that the recontextualization of objects that appear to be from a business setting into an art gallery “can be devastating”.25

In 1975, the Gilman Paper Company purchased *On Social Grease* for around $150026 to add to an art collection that included a group of photographs later acquired by the Metropolitan Museum of Art and deemed the museum’s “acquisition of the year” for 2005.27 Based on Haacke’s argument that “artists and cultural institutions become complicit in supporting the interests of capitalism and globalization”,28 some were critical of this sale and of the work’s own effectiveness. Susan Heineman wrote that the work defeats itself: the externalization of the “villain” and reinforcement of a “good” and “evil” binary in the art world in fact strengthens “art-world snobbery” and the status-quo by collectivizing the “art world’s” emotional repulsion to “corporate evil” and maintaining existing systems. In *Art in Consumer Culture: Mis-Design*, Grace McQuilten references Chin-tao Wu’s argument that “Gilman Paper’s ownership of Haacke’s work has not only minimised the critique the artist was attempting to make in his works, but has actively, and radically, redefined the very meaning of the piece” to which McQuilten then responds that “[t]his paradoxical situation, wherein corporations can adapt to

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25 Ibid.

26 Tully.

27 Daniel.

28 Shanken.
absorb subversive tactics aimed against them, can largely be attributed to the complex movements of postmodernism”. 29

These arguments become more complicated upon a closer examination of the Gilman Paper Company and its corporate art collection. In the 2003 Forbes article “The Fall of The House of Gilman”, the authors paint a colorful picture of the paper king:

Howard Gilman led a double life. He ran a group of companies that churned out the most mundane products you could imagine: paper bags, bleached cardboard and two-by-fours. Yet he could be found hosting glitzy functions where he would sip champagne with the likes of actress Isabella Rossellini, or entertaining dancer Mikhail Baryshnikov at his elegant plantation near Jacksonville, Fla., which Gilman transformed into a dance center and wildlife preserve. 30

Gilman’s interest in the arts did not seem merely serve as a “social lubricant”. His former attorney claims that Gilman ran the once largest privately held paper company in the US into the ground with what the attorney refers to as “pet projects” in the arts. Gilman’s largest single investment was $154 million to develop his “elegant plantation” into a dance center for dancer and choreographer Mikhail Baryshnikov 31 along with equally notable artists and a wildlife refuge for sixty endangered and threatened animal species. His philanthropy also included the Howard Gilman Opera House at the Brooklyn Academy of Music and the Howard Gilman Gallery at the Metropolitan Museum of Art, which houses his photography collection. 32 While the photography

29 McQuilten.
30 Lenzner (p. 68).
31 Ibid. Gilman supported Baryshnikov since the dancer arrived in the US.
32 Ibid.
collection eventually became the focus of the art collection, Gilman also collected notable
Minimal and Conceptual work, like Haacke’s *On Social Grease*.\textsuperscript{33}

In 1987, *On Social Grease* was among the thirty Minimalist and Conceptual artworks
Gilman auctioned off at Christie’s. The selection of work was regaled as one with “a quality and
depth rarely seen at a auction”.\textsuperscript{34} What made the auction of *On Social Grease* noteworthy was
not only that it was Haacke’s first work sold at auction and for $99,000 (more than twice
Christie’s estimate), but also that it was the first resale of an artwork using the artist’s contract
*The Artist’s Reserved Rights Transfer and Sale Agreement* (ARRTSA) authored by Conceptual
art dealer Seth Siegelaub and attorney Robert Projansky.\textsuperscript{35} The ARRTSA stipulates royalty
payments to the artist (fifteen percent for Haacke) for any subsequent sales of the artwork after
the initial purchase. It further obligates the artwork’s owner to seek the artist’s approval for any
loans of the artwork for exhibition purposes; to loan the artwork back to the artist for any
exhibition the artist chooses;\textsuperscript{36} and to make the artist aware of the artwork’s location at any time.

Christie’s attempted to obfuscate the details of the contract by not clarifying that
subsequent sales of the work would be subject to the contract. When this omission came to the
attention of Haacke and Weber, they obligated the auctioneer to read out the main clauses of
contract prior to commencing the bidding on lot No. 60. Some in the audience expressed
amusement with comments like “pass on it” overheard. After competitive and quick bidding,
Gilbert B. Silverman won the piece. He already owned another Haacke and said that he “would

\textsuperscript{33} Daniel. Gilman amassed the collection along with the company’s curator Pierre Apraxine. Apraxine
arrived with a previous experience assembling the corporate collection of contemporary art for the
Brussel’s Banque Lambert as well as working at the Museum of Modern Art and Marlborough Gallery.

\textsuperscript{34} Tully.

\textsuperscript{35} Smith.

\textsuperscript{36} For Haacke’s contract, the loan back to the artist is for sixty days in any five year period.
hate himself if [he] didn’t get it”. With a winning bid of $99,000 Haacke received around $11,250. The ARRTSA did not phase Silverman, saying, “My estate will worry about the profits. I’ll never sell it.” And he did not.

Although the Silvermans gifted their eponymously named Fluxus Collection to MoMA in 2009, *On Social Grease* still remains a part of the Gilbert B. and Lila Silverman Collection managed by Paula Cooper Gallery. Haacke stated his reaction to the auction this way:

> It is out of my hands. As long as one shows one’s work in the commercial gallery as I do, this is one of the possibilities. But I’m so disappointed that not only my piece but all the others [in the Gilman collection] will be auctioned off… It strikes me as odd that a big company like Gilman Paper is eager to make 2 million buck out of an art collection rather than giving it away and getting some PR mileage out of it.\(^{38}\)

\(^{37}\) Ibid.

\(^{38}\) Tully.

September 15, 2008 marks a highpoint in the contemporary art market. Sotheby’s began a two day auction of 223 artworks that Damien Hirst produced specifically for the event, which he titled *Beautiful Inside My Head Forever* (fig. 9). On the same day that Lehman Brothers investment bank shuttered its doors due to bankruptcy, Bank of America absorbed its rival Merrill Lynch, and American International Group, the world’s largest insurance provider, announced it would fail without an $85 billion bailout,\(^{39}\) fervent bidding began at the Sotheby’s auction. On the auction block were several animals in formaldehyde,\(^{40}\) many spin paintings, numerous butterfly works, several works on paper, and dot paintings and drawings. All the while

\(^{39}\) Horowitz (p.xiii).

\(^{40}\) These included *The Golden Calf*, which interestingly included a golden hoofed, golden horned, golden haloed baby bull of the same type that Merrill Lynch used its logo. Also on view was *The Kingdom* (a floating tiger shark), along with a severed goat head, a unicorn, and a pig with wings.
millions of people suddenly became unemployed, and The Dow Jones Industrial Average dropped over 500 points.\textsuperscript{41}

The Sotheby’s auction raked in just over $200 million, exceeding the highest estimate by almost $30 million. Hirst set the record for the most money earned for a one-artist auction, previously held by Pablo Picasso for a 1993 auction.\textsuperscript{42} He also set the record for this highest auction price by a living artist at $19 million for \textit{The Golden Calf} (fig. 10), which was purchased by a Qatari royal princess. He also broke with the norm in by-passing his mega-dealers – Gagosian Gallery and White Cube\textsuperscript{43} – and selling directly at auction.

Fig. 10. Damien Hirst, \textit{The Golden Calf}, 2008, Photo: Peter Macdiarmid/Getty

Historically, Hirst has manipulated the market and press to his and his business partners’ significant financial advantage. Looking back one year prior to 2007, Hirst allegedly breaks another record – selling the most expensive artwork by a living artist – during a solo exhibition

\textsuperscript{41} Freeman.

\textsuperscript{42} Kennedy, Maev.

\textsuperscript{43} Lydiate (p. 37).
at White Cube with the sale of *For the Love of God* (fig. 11), a diamond encrusted, platinum coated human skull reportedly purchased for $100 million. According to the sales announcement, this work was purchased by a private buyer, although a leak was quickly published in numerous news outlets announcing that the buyer was actually an investment consortium consisting of Jay Jopling (the owner of White Cube), Frank Dunphy (Hirst’s business manager), and Hirst.\(^4^4\) After the purchase, they intended to take the skull on a worldwide tour, in which they planned to earn profits through ticket sales, intervening in one of non-profit art organizations income generators. The global museum tour of the skull had a double intention: increase social capital with credible museum shows and increase profits by taking a share of ticket sales. The elaborate orchestration of museum shows to accumulate social capital through provenance would corrode the entirety of social capital generated through museum exhibitions. It would make public what already happens behind closed doors: that any museum show could be a contrived tool for market manipulation. It also openly addresses the income non-profit organizations generate through ticket sales, of which the exhibiting artist never receives any portion. This is unlike the music

\(^{44}\) Vogel. "Damien Hirst's Next Sensation.”
industry where an artist receives a percentage of income generated by concert ticket sales. The entire scheme for the skull seemed fashioned after insider trading activities. Hirst demonstrated his sophisticated awareness of the financial market and planned to take advantage of the unregulated and opaque nature of the art market to reap great financial rewards.

Back at the 2008 Sotheby’s auction, in an act that referenced the market manipulations of Durand-Ruel, Hirst’s dealers actually attended the auction, bought work, and helped inflate prices by underbidding.\(^45\) In fact, some accused the dealers of insider trading, specifically in their role boosting the prices of the most expensive artworks: *The Kingdom* ($17.6 million) and *The Golden Calf* ($19 million). The press coverage of Hirst “cutting out the dealers” and rebelling against art system conventions by striking out on his own reinforced the cult of personality surrounding the artist. He has carefully constructed a public persona of *l’enfant terrible*. The media praise for the “bad boy” artist added to the allure of the auction artwork for many new collectors.\(^46\)

The press coverage was one element in a highly orchestrated $4 million marketing campaign by Sotheby’s and Hirst that was reminiscent of Durand-Ruel’s promotional strategy for the Impressionists. It included a grand international tour of the artwork with stops in Bridgehampton, Aspen, Kiev, and New Delhi and the chance for collectors to test run the artwork in their homes. Sotheby’s also mounted a one week long museum quality show at its London headquarters complemented by a collectible three volume catalog. The art exhibition and tour asserted the auction house’s role in actually facilitating the amassing of cultural capital

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\(^45\) Underbidding is the strategy of placing bids in order to inflate final sale prices

\(^46\) 24% of the buyers were new to Sotheby’s and over a 30% had never purchased contemporary art
rather than the selling it on the auction block. On the eve of the auction, Sotheby’s hosted a party for 1500 guests that included foie gras wrapped in gold leaf.47

The art market plummeted for a time on the heels of this auction and the global financial meltdown, as did Hirst’s market,48 yet many collectors remained immune to the risk (Russian oligarchs and Middle Eastern royalty).49 And Hirst’s prices rose again, along with the art market, affirmed by his return to Gagosian Gallery in 2016,50 Gagosian sinking $65 million into a 2017 monumental show in Venice, and a sold out 2018 painting show at Gagosian Beverly Hills. As Dunphy summed up to Artsy, “The legacy of the ‘Beautiful Inside My Head Forever’ sale is that people felt he was a very clever businessman”.51

What I find telling are the numerous articles and statements regarding the money surrounding and involved with Hirst and his artwork. The business acumen by which he creates, sells, and buys back his work is admirable as a creative act. So, is his art not only the business of making art, but also of selling art? As an artist, Hirst represents the reality of the market as manifested in aesthetic art objects. He does not offer commentary or criticism, simply a mirror held up to the opaque and duplicitous dealings of the financial sector. Hirst, l’enfant terrible, asserts that his Sotherby’s auction and other “rebellious” activities opened up and better democratized the art world for all artists, when, in fact, these pursuits singularly benefit him and his business partners. Even these false pronouncements of his altruistic motives advance his self-

47 Freeman.

48 Hirst’s average auction prices fell from a 2008 average auction price of $831,000 to $136,000 in 2013.

49 Freeman. They continued to prop up the market until 2018 when the now $63.7 billion art market closes in on its 2008 record of $65 billion.

50 Hirst and Gagosian parted in 2012 due to a rapidly decreasing value in his work.

51 Freeman.
motivated cause, as articulated by Gerard Vilar in *De-aestheticization and the Dialectics of the Aesthetic and Anti-aesthetic in Contemporary Art* published in *Art and the Challenge of Markets Volume 2* (p. 220):

Damien Hirst…represents a kind of art that has no problem with the market and power structures—quite the contrary. That does not mean, however, that [his] works praise the established order. What it means is that neither the intention of the artist nor the effects of [his] works can we find criticism of power, of money, of injustice, of inequality, of prejudice, or the disregard for other people except in the form of mechanisms seeking an advertising effect, as in the notable case of Hirst. As proof of this, we can see that in the works of artists of this type, we cannot find a trace of the programmed de-aestheticization of the art that was in the center of the poetics of socially critical art.
CASE STUDY: GOOGLE

After meeting at Stanford University in Palo Alto, CA, Sergey Brin and Larry Page developed a search engine called BackRub in Page’s dorm room in 1996 that searched for information on the internet using a websites back-end links (number of other pages linked to them), which mined web users’ ranking data and used a new searching algorithm. Pages with more links would rank higher in search results. Outgrowing the university’s bandwidth, the duo formed Google in 1997 and headed off campus.

By 1998, a Stanford faculty member sat on his porch with Sun Microsystems founder Andy Bechtolsheim and demonstrated the efficacy of the search engine from the not-yet-existing company. Bechtolsheim responded with a $100,000 check made out to Google, Inc. However, while Google.com had been registered September 15th, 1997, the pair had yet to incorporate. The check sat in the desk for two weeks while Brin and Page raced to file the appropriate paperwork. They incorporated on September 4th, 1998.52 The name Google originated from a misspelling or play on words of the mathematical term “googol”: the number 1 followed by 100 zeroes. It was a declaration of Brin’s and Page’s desire to “organize the world’s information”.

Following classic tech startup myth-making origin stories, Brin and Page never wanted to continue in the business sector. Both preferred academia. I believe that this slight shift in priority influenced the non-conventional business approaches Google took in its early years and the original belief that Google would be a tool to help society. But Brin and Page remained in business, and Google manifested as a tool to mine data to sell or use in advertising and to develop Artificial Intelligence.

52 This date is nearly a decade to the day before the market crash on September 15th, 2008.
After Bechtolsheim, not many investors were to be found. In their interest to remain in academia, Brin and Page even offered their search engine to Yahoo! For $1 million in 1997 – a last ditch effort after the rest of Silicon Valley had turned them down. Eventually, two rival venture capital firms sunk a combined investment of $25 million into Google. Here we see differences between the outlook of venture capital on startups and established companies whose investors think conventionally and do not invest in potential, which, at this point, was most of what Google had to offer. Through the early 2000s, Google snapped up other web services as they started: from YouTube to a variety of companies to eventually be leveraged for innovative advertising strategies to Picasa (a photo management program, eventually becoming Google Photos). Google quickly became so ubiquitous that in 2006 the Oxford English Dictionary added Google as a verb for searching the internet: to google. By 2011, most of the Google products we know today were either well under way or in early development stages.

In 2015 Google acquired a home management company Nest and restructured as Alphabet Inc., a holding company of which Google is now a subsidiary but still the highest grossing company in Alphabet.

Accompanying this rapid growth came noticeable growing pains within internal management. Investors felt that the would be academics Brin and Page were not cut from managerial cloth and required an experienced manager for oversight and direction. Google hired Eric Schmidt to be the CEO with Brin taking the reins as President of Technology and Page leading as President of Products. This pattern repeats itself among other tech and entrepreneurial startups. Many times the innovators still retain an influential stake, but with the injection of established corporate influence, the original society serving goals become overshadowed by the need to meet growth goals set by the board to satisfy investors. This becomes more pronounced
when the companies go public. Google’s initial public offering in 2004 raised $1.66 billion, nearly instantaneously creating seven billionaires and 900 millionaires from the first speculative stockholders.

The new CEO of Google Sundar Pichai has been in the news recently as Google comes under fire for rumors alleging the development of a search engine contracted by the Chinese government that would restrict and censor information and collect user data aggregated for the government’s use. During a Senate hearing in December, 2018, Pichai testified that this search engine, Project Dragonfly, no longer had any support from Google, which contradicts reports leaked to The Intercept in August of the same year. Google has also come under fire for a military contract to weaponize artificial intelligence. Following the advice in Google’s original code of conduct stating “don’t be evil, and if you see something that you think isn’t right – speak up!”, over 4,000 Google researchers signed a letter to halt the AI weaponization contract, Project Maven. In June, 2018, the contract was not renewed.

53 Alphabet Inc. was established in 2015 as a holding company with Google as its subsidiary and cash cow. Page became CEO of the Alphabet, Brin the president, Schmidt the executive chairman, and Sundar Pichai the new CEO of Google.
THE CONCLUSION (AND MARCEL BROODTHAERS):

In regards to choosing the gallery as my medium, I consider picking up a few generations from where Marcel Broodthaers and his *Musée d’art moderne* (1968-71) left off. The *Musée* was Broodthaers’ artwork, which was an interpretation of a modern art museum without a fixed location, without a collection of modern art, and with Broodthaers as the director. His museum mounted exhibitions that questioned the nature of art exhibitions themselves and modern art. The *Musée d’art moderne* played with the visual and literary language and tropes of established museums, in order to offer commentary, pose questions, and open a dialog. It also became a way for him to wield influence because he claimed ownership over an “institution”. He even modeled as the director of this museum for a designer dress shirt advertising campaign that included notable celebrities. This brought into question the role of artist, cultural institutional authority, performance, immateriality, and capitalism. This work also presents a challenge to the art market because it evades direct commodification, yet he capitalized on it in the form of intricately conceived catalogs, at least one for each iterative exhibition of the *Musée*, and accumulated cultural capital through the social interactions and iterations of the *Musée*.

I believe the conversation he started now falls into the realm of the gallery. Since Broodthaers, the role of the museum has mutated as its relationship with capital has deepened, and the gallery deals ever more increasingly in establishing cultural capital for artwork. For-profit institutions – galleries, auction houses, boards of directors comprised of collectors – influence the museum. Galleries are museums, and museums are galleries. The intertwining of non-profit art organizations, museums, galleries, auction houses, collectors, and artists that began to take form in the time of Durand-Ruel becomes ever more closely knotted.
For example, in 2010, former Citibank corporate art adviser turned gallerist Jeffrey Deitch was selected to direct LA’s MOCA. Under Deitch, the board forced out chief curator Paul Schimmel\textsuperscript{54} in 2012. To protest Schimmel’s firing and Deitch’s management of the museum, high profile artists John Baldessari, Barbara Kruger, Catherine Opie, and Ed Rusha resigned from MOCA’s board. Then, in 2013, the mega-gallery Hauser & Wirth brought Schimmel on as a partner\textsuperscript{55} to establish and run Hauser Wirth & Schimmel’s museum-like LA art complex and exhibition program. A few months later, Deitch resigned under criticism for museum mismanagement with two years remaining in his contract. MOCA then hired Dia’s former director Philippe Vergne as museum director on the heels of the controversial 2013 Dia auction at Sotherby’s. Vergne announced his departure in 2018 with former MoMA PS1 director and MoMA Chief Curator at Large Klaus Biesenbach tapped to take the helm in 2019. Meanwhile, Deitch re-established his New York gallery and, in 2018, returned to LA to open a massive gallery outpost. I selected the for-profit business model upon which to build my project to be clear about my project’s relationship to capital.

With GALLERY by GALLERYGALLERYGALLERYGALLERY, I repurpose capitalist systems as readymades. Immaterially, GALLERY proposes a structure that removes the dealing of art from this gallery and replaces it with the dealing of galleries, in which the dealer is not only the seller of the gallery, but also the creator (artist) and curator of the gallery. Materially, GALLERY is a modular, flat-pack, white-walled gallery with a tiny footprint of four feet by eight feet, eight foot ceilings, built in interior lighting, and a nearly ten foot long LED channel letter sign that reads GALLERY (fig.12).

\textsuperscript{54} Schimmel, by many accounts well-respected, served as LA MOCA’s chief curator from 1990 to 2012.

\textsuperscript{55} Schimmel served as partner, director, and vice president from 2013-2017.
Fig. 12. Nathan Sinai Rayman, GALLERY 2, mixed media, 48” w x 96” l x 108” h, 2017-18, DUMBO BID, Photo: Daniel Greer.
I intend to bring clarity to relationships with capital and investments, folding those activities into actual elements of the artwork as a whole. In GALLERY, I am a dealer of galleries, packaging and selling the material and immaterial assets of GALLERY as franchises. GALLERY’s ambitions pair well with the ambitions of franchise businesses for the franchisor and franchisee. It offers the opportunity to have the physical gallery and all the supporting, carefully crafted immaterial infrastructure and networks shipped anywhere a person or organization desires an exhibition space to provide an intimate, unique, and progressive art experience. The starting up of the startup has been completed by the time GALLERY is on the doorstep. The networks have been established. And the costs can be kept low, reducing the perpetual overhead expenses brick and mortar galleries face. It allows the franchisee to focus on providing a robust art program of innovative art experiences, either by accessing GALLERY’s curatorial consultant services or following the code of curation. The key differences between a GALLERY franchise and a McDonald’s or Thomas Kinkade Gallery franchise are the relationship to real-estate and goods for sale. GALLERY does not require permanent real-estate and the structure is delivered pre-fabricated, only requiring simple, tool-free assembly to mount an exhibition. Importantly, GALLERY does not require fees based on revenue of the franchise in order to eliminate the pressure of sales and replace it with experience.

GALLERY’s flat-pack, modular, architecture removes the complicated relationship real-estate has with the arts and arts organizations. GALLERY intends to nurture art by bringing both to multiple locations outside of spheres of cultural influence or to non-conventional settings or diverse audiences. It can exist simultaneously as a node connected to a larger potentially global network and one focused on the hyper-local. In its specially designed modular, easy-to-move and

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56 CURATOR by GALLERYGALLERYGALLERY
easy-to-store structure, the exhibition space can access places that art may not normally access and can be there temporarily. GALLERY’s mobility means that it never stays around long enough to gentrify a place and can bring diversity to already gentrified areas.

There are two GALLERY franchises currently in operation. The first is owned and operated by the DUMBO Business Improvement District in Brooklyn, NY. It is primarily used in conjunction with a free, weekly, summer concert series under the Archway of the Manhattan Bridge (fig. 13). From June through September, the DUMBO BID assembles it for one day every Thursday in the summer to exhibit the work of a DUMBO-related artist, who is paid an honorarium by DUMBO BID. The second is owned and operated by ImagineIF Libraries in Kalispell, MT. It is used primarily to bring exposure to Flathead Valley women in the arts. It travels between Big Fork, Whitefish, Kalispell and any other neighboring rural locales, many of which lack formal art exhibition environments (fig. 14).
GALLERY attempts to reformat existing financial investment structures on the production, dissemination, and sale of art. GALLERY is fluid, constantly in process, and working with the forces of the market, not against them or by them. This is addressed not only by the franchise structure, but also by the differentiation of various weatherproof models and generations of GALLERY (all with roughly the same overall measurements). The DUMBO BID
owns GALLERY 2 with an upgraded 2S roof. ImagineIF Libraries owns GALLERY 2S. Both of these models are based on a seven panel system held together with a minimal series of latches. Maintaining roughly the same size, GALLERY 3 introduced a fourteen panel tongue and groove system to facilitate easier assembly, portability, and storage.

GALLERY 3 also introduced the Artist Edition (AE) model. This GALLERY is produced in collaboration with an invited artist to use the GALLERY template to reimagine, reinterpret, an/or hack the GALLERY in the artist’s visual language. I produced the first one (fig. 15), which is the result of expressionistically carving and sculpting a GALLERY 3 using

Fig. 15. Nathan Sinai Rayman, GALLERY 3AE, mixed media, dimensions variable, 2018, Photo: Etienne Frossard.
only its own material. It is installed site-specifically to be in conversation with the surrounding environment or architecture. The most recent iteration (fig. 16) was installed in an exploded, expressionistic, navigable manner that also incorporated the existing architecture of the larger exhibition space. It also reimagines the iconic GALLERY sign as ceramic dishes (fig. 17) used
Fig. 16. Nathan Sinai Rayman, GALLERY 3AE (detail), mixed media, dimensions variable, 2018, Photo: Etienne Frossard.
to serve chips and dips, crudité (fig. 17), and my mom’s home-baked cookies. Access to the
dishes resting on shelf-like parts of the sculpture, required navigable interaction with the piece. IKEA Ribba frames hacked to hold ant farms with dirt from different art-related neighborhoods hung on or were imbedded in the sculpture.

I intend for transparent capital injections in GALLERY to fund innovative art practices and systems to support artists and their production. In creating GALLERY as an artwork and as GALLERY Director, it is important for me that it be harnessed as a collaborative site, working closely with exhibiting artists to install site-specific iterations of their work. In Brooklyn, Claudia Bitran transformed GALLERY into a photo-booth replicating the movie poster from Titanic, where visitors posed with the artist for a photograph to be taken (fig. 18).
Fig. 18. Claudi Bitran, *A Deep Emotion*, mixed media, dimensions variable, 2015, GALLERY by GALLERYGALLERYGALLERY.

And Patricia Brace wrapped the entire GALLERY in vinyl printed with imagery and text relating to her performance that occurred around the GALLERY’s perimeter (fig. 19).
In Montana, Kylin O’Brien turned the GALLERY into a meditative SCREAM ROOM. As a painter, Katie Hector layered the Brooklyn GALLERY with overlapping floor to ceiling paintings and a carpeted floor.

Through the case studies presented in this paper, I have examined the interaction of capital in the art world to repurpose these systems as readymades and build a radical rethinking
of how capital functions in an art practice and harness my idealistic ambitions as an artist to reimagine the ways in which capital can interact with and support the art world.
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Nathan Sinai Rayman, GALLERYGALLERYGALLERY (left to right: GALLERY 3AE, GALLERY 3E, GALLERY 2, installation view), 10 November – 2 December 2018, 205 Hudson Gallery, Hunter College, New York, NY. Photo: Etienne Frossard.
Nathan Sinai Rayman, GALLERYGALLERYGALLERY (left to right: GALLERY 3E, GALLERY 3AE, GALLERY 2, installation view), 10 November – 2 December 2018, 205 Hudson Gallery, Hunter College, New York, NY. Photo: Etienne Frossard.