

# Transcript of *Creative New York* Conference April 4, 2006

*Sponsored by the Center for an Urban Future, The City of New York, The Rockefeller Foundation and the Partnership for New York City*

Welcome:

**Kate D. Levin**, Commissioner, Department of Cultural Affairs, The City of New York

Opening Remarks:

**Michael R. Bloomberg**, Mayor, The City of New York

Panel One: Facing Up to Global Challenges

*Moderator:*

**Judith Rodin**, President, The Rockefeller Foundation

*Panelists:*

- **Barry Diller**, Chairman & CEO, IAC/InterActiveCorp and Chairman, Expedia, Inc.
- **Clive Gillinson**, Executive & Artistic Director, Carnegie Hall
- **Terry J. Lundgren**, Chairman, President & CEO, Federated Department Stores
- **Ann Moore**, Chairman & CEO, Time Inc.
- **James Schamus**, President, Focus Features

Introduction to Second Panel:

**Jonathan Bowles**, Director, Center for an Urban Future

Panel Two: Capitalizing on Local Assets to Sustain a Competitive Edge

*Moderator:*

**John E. Sexton**, President, New York University

*Panelists:*

- **Fernando Espuelas**, Chairman & CEO, Voy, LLC
- **Bill T. Jones**, Co-Founder & Artistic Director, Bill T. Jones/Arnie Zane Dance Company
- **Virginia Louloudes**, Executive Director, Alliance of Resident Theatres/New York
- **Glenn D. Lowry**, Director, The Museum of Modern Art
- **Mary Ann Tighe**, CEO of the New York Tri-State Region, CB Richard Ellis

Discussion: Where Do We Go From Here?

- **Daniel L. Doctoroff**, Deputy Mayor, Economic Development & Rebuilding, The City of New York
- **Kate D. Levin**, Commissioner, Department of Cultural Affairs, The City of New York
- **Kathryn S. Wylde**, President & CEO, Partnership for New York City

*Welcome: **Kate D. Levin**, Commissioner, Department of Cultural Affairs, The City of New York*

**Kate Levin:** Good morning. I'm Kate Levin, commissioner of the New York City Department of Cultural Affairs, and I'm delighted to welcome you here today. For several generations now, New York City has provided an environment where creativity flourishes, often against all odds and, indeed, sometimes because of those odds. This is no small feat when you think about the kind of paradoxes that we're dealing with. Creativity can be enormously robust and productive, but an individual's vision or idea can be quite fragile. Often, we think of creative people as craving solitude, but the reason they've flocked to New York for so many years is because of the critical mass of individuals, institutions and opportunities. And we're here today to talk about possible catalytic actions, versus, of course, what should be left to market forces. The incredible diversity, breadth and depth of the creative sector itself reflects these complexities. After all, the challenges facing a graphic designer or a software engineer are very different from those facing a choreographer or poet. But while their professional concerns vary, in many ways, they have compelling similarities within the city's creative ecology.

Indeed, the often-made distinctions between non-profit and for-profit creative industries can limit our perspective, because, in fact, nobody comes to New York City hoping to be a non-profit versus a for-profit musician, designer or actor. Building on three decades of important research, the Creative New York report helps bring the commonalities within the creative sector to the surface, giving us an opportunity to refocus and realign our civic priorities. Because when you define the spectrum of creative industries as a sector, what you see is that the research and development aspect is as significant as the creative end products that are crucial to New York City's identity, locally, nationally and internationally.

All of us here have a stake in bringing these issues to the forefront and thinking strategically about how to address the challenges and aspirations of the city's creative sector. To my mind, it's no accident that we're having this conversation during a time when the city's chief executive is truly a one-man creative sector. Not just because of his approach to government and his style of thinking, not just because of his extraordinary ability to 'get jiggy with it,' but also because he's done so much to foster a climate in New York City where creativity is truly welcome. I'd like to introduce Mayor Michael R. Bloomberg.

*Opening Remarks: **Michael R. Bloomberg**, Mayor, The City of New York*

**Mayor Michael R. Bloomberg:** Well, good morning everyone. You've now heard from Commissioner Levin, and now you're going to hear from me, and I think that really is the long and the short of it. And she's not even wearing heels. You have to see her standing next to me to get the joke, but that's okay. And the jiggy business; you're just jealous because Ice-T said I was cool.

Anyways, I want to welcome all of you to the Creative New York conference, although, at least for artists, it seems a little bit out of character to have an event billed as creative to begin anytime

before noon. Nevertheless, for engineers like myself, this is late in the day, we've probably done five things already and are looking forward to going home and getting into bed.

I do want to thank Glenn Lowry and the Museum of Modern Art for hosting us today and also particularly thank our co-sponsors of today's conference – the Rockefeller Foundation and its president, Judy Rodin; the Partnership for New York City and its president and CEO, Kathy Wylde; the Center for an Urban Future and its director, Jonathan Bowles. And, like Judith, Kathy and Jonathan, our administration really does appreciate New York's creative sector as our city's heart and soul. I think that's the only way to describe it.

The creative sector gives our city its strategic advantage and competitive edge in succeeding in a global economy. The rich and creative environment here not only attracts businesses and people from around the world, it also influences every single thing that we do. It enhances the quality of life of New York a hundred times a day, it creates jobs, it attracts students, it retains businesses, and it transforms neighborhoods. And you can see all of that being played out on the streets of New York, particularly over the last half a dozen years. The influence of the arts on our city is extraordinary.

Let me cite an example or two. One, for sixteen days last year, we had a bunch of saffron flags flying in Central Park, called The Gates. It not only drew four million people from around the globe to Central Park, it also created an extraordinary \$250 million impact on our city's economy, and I know everybody here was behind bringing The Gates as quickly as we could to New York City, which would explain why it took 26 years to do so. The person that deserves, actually the two people that deserve the credit for that, Patty Harris and Kate Levin, without that, I probably – yes, I would have, I was a supporter even before I met you, so I can take some credit for it too, I guess.

The fact is that day in and day out, creativity fuels such major New York industries as publishing and off-Broadway theater and advertising, architecture, dance, film, television production – the list goes on and on and on. You know, for decades, New York City has been *the* place where so many artists, writers, filmmakers and others wanted to work. But we recognize that working here comes at a high price. Artists, advocates, scholars and policymakers have long identified the special challenges that the creative sector faces in New York City, in terms of finding affordable housing and studio and performance spaces, securing health insurance coverage for self-employed artists, and other arenas.

These are complex and nuanced problems without easy solutions. If there were easy solutions, somebody would have solved them. Government, unfortunately, can't and shouldn't tackle them alone, although we certainly have a part to play and that's why we're here today, to collaborate with our philanthropic and non-profit and corporate sectors, and work toward solutions. And we are particularly grateful to today's distinguished panelists and to everyone attending for giving your time and being willing to strategize and work together. Only if we work together can we come up with some solutions to these problems. Our partners in the private and non-profit sector can look at this administration's record and I hope they see, across a broad range of agencies, a commitment to New York City's creative sector.

The best evidence of that commitment is the work of what I would argue is the best commissioner for the Department of Cultural Affairs this city has ever had, Kate Levin. I mean no offense to the previous commissioners, but this one is the one that I've had the opportunity to work with, and I think the city has benefited immeasurably from her work. The Department of Cultural Affairs is a 30-year-old agency that really is just starting to come into its own. DCA's budget is larger than that of any other government art agency, city, state or federal, in the nation. So, when people say we don't care about arts and we're not doing enough, it would be great if we had more money and could do more, but at least we are trying.

Over the next four years, its capital budget of more than \$800 million will help more than 170 cultural organizations, large and small, in all five boroughs. It also provides annual programmatic support for more than 600 arts and cultural groups throughout the city. When I went out to pick a commissioner, what I thought was: the big institutions, they can always use more, but they have staffs, they have boards, they know what to do. This city is blessed with cultural organizations that come from every culture around the world and they are located in places that I venture to say an awful lot of you have never even heard of. And they need the city to come and help them, to show them how to put together a board, how to have professional management, how to mount an exhibit, how to get publicity, how to partner with other organizations, and I thought when I met Kate, this was absolutely the perfect person to do that. And sometimes I do some things right, and this was clearly one of them, in picking you, so just thank you.

In addition, our administration's Office of Film, Theatre and Broadcasting, headed by Commissioner Kathy Oliver, or KO, as many of you know her, has revolutionized the way that the city government promotes and supports film and television production in our city. And as a result of her efforts, we got a tax credit from both the city and the state for people to film here, and I can just tell you – you cannot get a sound stage in this city. All three of the major studios are booked solid; all three are planning big expansions. It is one of the great success stories. We are luring film and television production back from California, back from Canada, back from Eastern Europe, and it's generating a record number of jobs in our city. Kathy has a program, Made in New York, which helps put the city's name in the credits of dozens of films and TV programs. That helps our tourism business. The more people see New York City on television or in the movies, the more they come here, and it has also led to more than \$175,000 in contributions to nonprofit arts organizations, ranging from the Harlem School of the Arts to the Museum of the Moving Image.

Another city agency, our Department of Small Business Services, is working with Steiner and Silvercup Studios, two of the three big ones, to train local residents for jobs at their studios, and independent filmmakers to open other entry-level jobs. We have to make sure that we have jobs for people that come to this city. And people don't think of the arts as a job creation thing, but take a look at the budget of a movie, and you'll see most of the money goes to the local dial-a-cab, to the local bodega, to the local lumberyard, to the grip, to the electrician, to the carpenter. It doesn't go just to the stars, it really gets spread throughout the entire economy, and it's terribly important to this city.

I hope that only begins to demonstrate our commitment to Creative New York. Other agencies, like the Department of Education, work with arts organizations to train the artists and audiences of tomorrow. We have designed and implemented the first-ever comprehensive art curriculum in the city's public schools, and one that we believe will become a model for the nation. The physical face of the city is undergoing its greatest transformation in more than fifty years, and city agencies not normally associated with the creative process are ensuring that design excellence and innovation are integral to that process. So, our Department of City Planning is rezoning formerly underutilized areas in our city that will become sites for more affordable housing and for spaces where artists can create and show their work. The City Art Commission, in partnership with the Department of Design and Construction, has created a design excellence initiative that ensures high-quality engineering and architecture of public projects. And the creative transformation of such public spaces as the High Line and the former landfills at Fresh Kills shows our commitment to imaginative reuse of New York's cityscape.

Today, I'm pleased to announce our newest initiative, one that fulfills a promise I made during my reelection campaign last fall. The city's Economic Development Corporation, the agency charged with keeping New York's economy growing, is about to sharpen its efforts to foster our creative sector. EDC is establishing a not-for-profit desk, and that means that our city's nonprofit sector, including our nonprofit cultural organizations and institutions, can now get the same kind of attention and assistance that we give to Wall Street, bioscience, media, publishing, advertising, and other major industries. The new desk at EDC, which will be up and running by the end of this summer, will be information central for our nonprofit sector, and it will be *the* place where nonprofit arts organizations will be able to get help on everything from locating appropriate real estate to finding financing through a new, pooled bond program at EDC. It will collaborate with all of the city agencies that support the creative sector, and this new EDC desk will also aggressively pitch New York City around the world as the nation's art and cultural capital.

We know we can't be complacent. In the creative sector, as in so many other areas, at one time, New York City didn't have to compete with other cities. Now, we do. Other cities are quickly learning the benefits of being a creative hub. But today's conference sends a true message to New York City's creative sector. New York is the cultural capital of the nation, and with the help of all of you, we are going to stay that way. And we've got the right people at the table today to make sure of that. That includes the moderator of today's first panel, Judith Rodin, and the Rockefeller Foundation are already strong partners in our city's Department of Housing Preservation and Development. They are key players in our historic affordable housing initiative, one that will create and preserve 165,000 units of housing citywide by the year 2013, the nation's largest affordable housing campaign in history. As the former president of the University of Pennsylvania, you should know that she also had a major hand in the revitalization of West Philadelphia, and made sure that the revitalization supported the arts and artists while she was doing it. So, thank you once again for taking time out of your incredibly busy schedules. We appreciate your expertise and thoughtful input to help New York be a nurturing home for the creative sector. It really is our future. God bless, and now let me turn the floor over to Judith.

Panel One: Facing Up to Global Challenges

*Moderator:*

**Judith Rodin**, *President, The Rockefeller Foundation*

*Panelists:*

- **Barry Diller**, *Chairman & CEO, IAC/InterActiveCorp and Chairman, Expedia, Inc.*
- **Clive Gillinson**, *Executive & Artistic Director, Carnegie Hall*
- **Terry J. Lundgren**, *Chairman, President & CEO, Federated Department Stores*
- **Ann Moore**, *Chairman & CEO, Time Inc.*
- **James Schamus**, *President, Focus Features*

**Judith Rodin:** Thank you so much, Mr. Mayor. I'm proud to be leading a foundation that has played such an historic role in the formation of what we are calling today Creative New York. Great institutions like Lincoln Center, the Public Theater, The Asia Society and the Film Library of the Museum of Modern Art. The Rockefeller Foundation, then and today, continues to nurture Creative New York by stimulating new ideas and, as in this conference, asking important questions about the creative life of the city. Traditionally, the pillars supporting New York's economy have been defined rather narrowly, in terms of financial services, insurance and real estate. Today, we have the opportunity to give a name and an identity to another critical pillar, one that is every bit as essential to the economic health and well-being of New York City, and that is the creative sector. Half a century ago, Jane Jacobs, the wonderful planner, described the streets of New York City as a ballet, where density and cacophony and dynamism were the ingredients of a rich and very fertile dance. We all know that ballet. We can feel it walking down any street in New York City.

But it's not only a feeling, the creativity and the ferment she described are essential to our economic underpinnings, part of the financial foundations of our city, as well. So, I want to thank all of you for coming today to take part in a discussion that really is about the essence of New York as we know it. I don't believe there's been a time when so many representatives of so many different interests and institutions have come together to address this issue. It's not just the arts and cultural institutions, it's not just the nonprofits and community organizations, it's not just the creative business sector, but the entire aggregate of creative industries is represented by all of us here today. We're here to acknowledge and, I hope, to affirm the importance of the creative sector and to strategize about initiatives and investments that are needed to reinforce it. It's an opportunity for all of us to step back and ask hard questions, and give voice to our aspirations for the creative sector and this great city in the 21<sup>st</sup> century.

I want to take a moment to thank the Center for an Urban Future and Mt. Auburn Associates for the "Creative New York" report that is the basis for today's discussion, and I'd like to thank and acknowledge the authors of the study: Robin Keegan, Beth Siegel, Neil Kleiman, and Michael Kane. We are very grateful for your hard work. This is a stimulating and important report.

And now to our panel. Our panelists today are leaders of the creative industries, in the media, in fashion, film, publishing and the arts. They are individuals who truly could be anywhere in the world, but chose to be in New York City. Like each of you here today, they hire people, they create incentives, they are responsible for making sure that New York remains the creative heartbeat of the world. And now, as I introduce each of them, I will ask them to join me on the stage.

Barry Diller. Barry is the Chairman of Expedia, and the Chairman and CEO of IAC/Interactive Corporation. It's the parent organization of many companies, including Home Shopping Network, TicketMaster, Match.com, Ask Jeeves and many more. Among his many positions, Barry Diller was the Chairman and CEO of Fox and of Vivendi Universal Entertainment. He was also the Chairman and CEO of Paramount Pictures, which included such New York institutions as Simon and Schuster, Madison Square Garden, and others. One of the better-known chapters in his biography is that he dropped out of college to work in the mailroom of the William Morris Agency, so he certainly understands how really tough it can be to get a foothold in the creative sector.

Our next panelist, Clive Gillinson, is the Executive and Artistic Director of Carnegie Hall. Clive is responsible for the artistic concept and programming of all three venues in Carnegie Hall – the Isaac Stern Auditorium, the Zankel Hall and the Weill Recital Hall. He's been in that position only since last July, which makes him a relative newcomer to New York. He comes to us from London, a city very much on our minds today as an example of highly successful global arts capital. He's a cellist; he played with the London Symphony Orchestra before becoming managing director in 1984. At the London Symphony Orchestra, he launched innovative arts festivals and he was a great and staunch advocate of taking music to the public.

Terry Lundgren, Chairman and CEO of Federated Department Stores, the parent company of Macy's and Bloomingdale's and other department stores around the country. A year ago, Federated merged with May Department Stores to create what's now the largest department store chain in the country, with 580 stores across the country. Federated is the fifth largest private employer in New York City, with 17,000 employees. We know that department stores have traditionally played a large role in identifying and in cultivating talent in the fashion world, and Terry has said that he's in the process of reinventing the department store.

Ann Moore, chairman and CEO of Time, Inc. She oversees the world's largest magazine company, which publishes more than 150 magazines, read around the world, including *Time*, *People*, *Sports Illustrated*, *Fortune*, *Discover*, and *Money*. Now, Time Inc. is in the process of transforming itself into playing a major role on the web. Ann's first job was in the finance department of *Time* magazine. She worked her way up from there. And along the way, she has absolutely proven her knack for knowing what people want to read. On her watch, the company has launched enormously popular titles, such as *In Style*, *Teen People*, and *Real Simple*, which is why they call her the start-up queen.

James Schamus, the co-president of Focus Features, a motion picture production, financing and distribution company. He's an award-winning screenwriter, which makes him all the more unusual, because he combines so many roles – a film executive, screenwriter and teacher. He's

on the faculty of Columbia University's School of the Arts, which means he comes in regular contact with students aspiring to be in the movie business and other elements of the creative sector. He's been a creative force behind some of the most provocative and acclaimed independent films in recent years, movies like *Crouching Tiger, Hidden Dragon*, *The Ice Storm*, *Sense and Sensibility*, and, of course, the Academy Award winning *Brokeback Mountain*, which he produced.

It's interesting to note, as I look at the biographies of all of the panelists, that none of us grew up in New York City. Three of you are from California, one from Virginia, one from India and I am from Philadelphia. But each of us has chosen to make New York the place where we live and work. It is a really exciting chance to step back and ask ourselves why. Just one quick word on our process. First, please turn off your cell phones. Thank you. Second, each of you in the audience has a card in your gift bag that you can use to write down a question for any of our panelists. So, as you hear the discussion, as you don't hear us talking about things that you want to hear, please jot down a question. We'll take a break in about 45 minutes into our discussion and we will collect all of the cards. Please join me in greeting and thanking our panel.

I'm going to start with a softball question. James told me he's going to answer any question, no matter what I ask, but I will start at least by asking each of our panelists why they're in New York. Barry Diller has built one of the most extraordinary, important companies – he's in the process of building a new headquarters, designed by Frank Gehry, in New York City, Frank's first major project, I guess, in the city. It's a huge investment, so obviously Barry has a view about the future of New York for this sector. Tell us why you're doing this.

**Barry Diller, Chairman & CEO, IAC/InterActiveCorp and Chairman of Expedia, Inc.:**

Well, my wife makes me. Why am I in New York? I'm in New York because I think it's the most stimulating place that I could possibly be. I think it's the capital of the world, I think that it has ambition in the air, and I think it's incredibly interesting, every part of it. And so, if you're, particularly I think if you're actually building a business as against being the steward of one, which is another thing to do, for sure, but if you're actually trying to create things that did not exist yesterday, it's the best place to do it. So, that's why I'm here.

**Judith Rodin:** That's great. Terry made an equally important business decision in relocating the executive headquarters of Federated from Cincinnati to New York when he became CEO two years ago. What makes New York, for you, the center of the fashion industry? What convinced you that you should move the corporate headquarters, probably not a popular decision throughout your company?

**Terry J. Lundgren, Chairman, President & CEO, Federated Department Stores, Inc.:** I wanted to live here. Well, that was part of it. But the truth of the matter is, we do have a headquarters in Cincinnati, Ohio, I have an office there, I visit there every other week, for a day. And most of our employees today are, particularly on the creative side, all of the central merchandising and the central marketing organization, which just created, so we're building that organization, is here in New York City. And if we wanted to get the most talented people to fill those assignments, there's one place to do that and that's New York City. So, we contemplated other places but this is where that talent base was, so this is where I needed to be.

**Judith Rodin:** That's great. Clive, the report shows, maybe to the surprise of some, that London is our major competition. You've just relocated here from London. Tell us about the contrasts and what you're seeing in each place.

**Clive Gillinson, Executive and Artistic Director, Carnegie Hall:** Well, I mean, firstly it's a good question as to why I came here because in fact I was very happy where I was, which I think is a great advert for New York. There were several parallel reasons. One was Carnegie Hall itself, which I think is one of the wonders of the world, and I think the opportunity to be involved with Carnegie Hall is something that is absolutely unique if you are in the music business. And I think one of the things that's astounding is that 115 years from the time that it was built, it is still the finest concert hall in the world, and it was built by a guy who had never built a concert hall before. It's just one of these completely extraordinary things and there's never been something better built since. So, for somebody in my business, that's fundamental. Secondly, it was shared values, that everything about Carnegie Hall, to do with the pursuit of quality, about the belief in education, the belief that music can and should be part of everybody's life, was something, again, that I shared, that I cared about and which was absolutely exemplified in Carnegie Hall.

And, equally, the third part was New York itself, and to a major degree, that was demonstrated in my previous job, when I was manager of the London Symphony Orchestra, because in fact the first thing we did, in terms of our international role, was I set up a residency to bring the LSO to New York every single year, because I felt it was the most important single place I should be taking the orchestra in the world, because it was the one showcase above all, where the orchestra should be. So, I mean, those parallel things were all the reasons for changes and I think, in some ways, it was the combination of all of them, as well, because if Carnegie Hall had been in Little Rock, I'm not sure it would have been quite the same thing. So, it wasn't just the hall, equally it wasn't just New York, it was actually having this opportunity to run a place where I feel that everything is possible with music, and it's the combination of that being the culture of New York and that being the culture of Carnegie Hall.

**Judith Rodin:** Ann, is New York the place for the magazine industry, and if so, why?

**Ann Moore, Chairman and CEO, Time Inc:** Oh, absolutely. It's an interesting question, why we all moved to New York and so interesting that none of us started here. But I came to New York in 1978. One, my husband brought me here because he had outgrown his job and I had worked for a book publisher in Boston and I had really outgrown my job. And, you know, that's why people come to New York – the opportunities are just unparalleled and there are so many rival cities that really are one-company towns, and a married couple can find two fabulous careers here, with unlimited opportunity. I can't imagine that there's any threat any time soon that New York will not remain the publishing capital of the United States. We also are the largest magazine publisher in London, by the way, so I do understand how attractive London is, and that it is somewhat of a competitive threat. It is the only place I can get a Time Inc.-er to move. I can't get them to move anywhere else.

**Judith Rodin:** James, the mayor talked about the active effort that the city has made to recruit back the film industry. How successful do you think that effort has been? Do you think it

required the kinds of tax incentives that were put to it or that there are things in New York that would have allowed it to reanimate itself anyway?

**James Schamus, Co-President, Focus Features:** It was extraordinarily successful, and I guess that's why they're thinking of pulling the plug on it.

**Judith Rodin:** Period? Let's start with the kinds of threats and challenges that New York City is facing. It's not all rosy out there, as many of you can attest. Someone told me at breakfast that he actually thought this was among the darkest times for some arts institutions in New York. So, what are the key threats and challenges, both in the for-profit sector, in the not-for-profit sector, that you think New York really faces as we are beginning the 21<sup>st</sup> century and really looking at the kind of global environment that I think each of us is confronting, even in the smallest arts organization, and while it's fraught with opportunity, it's also fraught with risk. What's New York facing? Go ahead, Barry.

**Barry Diller:** Well, I can't speak for arts institutions because we are involved in various forms of commerce. But I think probably the issue not necessarily for this afternoon or today, but the issue for some time in the future is whether New York is going to remain the communications capital of the world. It has been, for certainly about 100 years, probably since radio grew, and out of it, then television and national, these big national, these big mass communication engines, all of which, all of the wires really were connected to New York. And I think that with Google in San Francisco, Palo Alto, and with the Internet and the changing world from everything that is analog to digital, I think our period's industrial revolution, that New York's ability on into the future to remain the communications capital is really questionable. And we don't have in the city a great communications infrastructure in terms of technology, in terms of affordable high bandwidth that is available. There are many other places where, if you're thinking about where to develop, where to create things, interactive things, this is not the first place that you would go. The first place that you would go, it probably is on the west coast, but if it's not in the United States, it's in Dublin or it's in India or it's in China or it's in Korea, where the infrastructure that has been put together is just extraordinary. South Korea has got more creative development, more things that are happening, in terms of hybrid, communication tools – both things that entertain people as well as things that allow people to just go through their life, whether it's through games or almost all through the spectrum. And we just don't, we have not developed that here. So that is, I think, from my point of at least, *the* big challenge.

**Judith Rodin:** Do we have the capability of catching up? Should we try?

**Barry Diller:** Sure. Of course, we have to try. You can't give up this legacy, you can't let it go, you shouldn't want, for sure, for it to go elsewhere, for the bubble to – and I'm not talking about the Internet bubble – but for the bubble of people that are available at the early stages of all through the strata, to start things that are going to come from the digital side. And of course you can. There are lots of ways to do it. First thing that you would do is absolutely make this entire city hot, so that wherever you were, you had wireless, you could get it, it was big bandwidth, you could do all sorts of things with it, you could manipulate it, you could create with it, et cetera, that would be a big deal.

**Judith Rodin:** Others? Ann?

**Ann Moore:** Well, I just wanted to ask you, since you come from a city that has announced that it's going to be the first all WiFi, hot city, what was behind Philadelphia's move to do that?

**Judith Rodin:** I think to really compete in the creative economy. You've seen that there have been news articles periodically showing what's happening in Philadelphia – the affordable housing is luring artists from New York, it's an easy train ride, young chefs are finding the ability to be creative much less expensive in Philadelphia, and it's only a train ride away, on the right corridor. And there was a real view among the leadership in Philadelphia that if we could be the first wireless city, it would continue to animate the drumbeat that Philadelphia was trying to develop, in terms of being young and hip and cool and a place where – I was kidding one of our alumni in the audience, who works for the mayor, you know, our greatest challenge at Penn was that everybody left and went to New York. And, so, Philadelphia has really consciously taken this on and is trying to reinvent itself.

**Ann Moore:** Well, I agree with Barry that we've got – one of my pet peeves is we've got to address the kind of creative workforce's development needs in technology. But I don't think the game is over, or lost, right? Right now, the Internet used to belong in stage one to the people who gave you access and in stage two, it's to the people who can search it for you. But I still think stage three is going to be the content providers, and they happen to be here in New York City, the greatest content editors. And what we need to do is to train them and give them the technology that they need to remain on top. That would be my number one wish, also.

**Terry Lundgren:** I'll take a slightly different direction, and I certainly agree with what's been said so far. I think to make sure that we have affordable housing for young, talented people in New York City is critical. And that's not going to happen in the heart of New York City, just not going to happen, because of supply and demand. And it used to happen in Tribeca, and it used to happen in SoHo and it used to happen in various places that are no longer available to us because of that demand curve. But if it's going to be pushed out to different locations, then what is vital is to make sure that our transportation system is effective. So I would strongly encourage us to make we think about that and think about transportation as a vehicle to attract young people who aren't coming because they've accomplished everything already in Dallas or in Boston or whatever. That certainly has happened to many of us, but to the young, creative juices of our society that we really need to attract and retain, and we have to be able to find a way for them to afford to live here and I think transportation plays a major role in accomplishing that.

**Judith Rodin:** Clive?

**Clive Gillinson:** I think one of the things that's interesting – so much flows out of what Barry and Ann were saying, as well, which is, with the whole issue of the media, where essentially we're moving into a world where everybody in the world will have access to the best of everything, at the touch of a button. And so, from the point of view of culture, it makes it all the more important that everything that we do here, in New York, for New York to remain a center, be the very best and the most extraordinary. We have many of the most extraordinary institutions in the world. New York is a great magnet for talent. But that's going to become ever

more important as time goes by, because it has to be *the* magnet, because it won't matter so much where people are, because people can have access to it anywhere in the world. So, it's how we bring it here, and I think one of the things that's interesting, when you look around the world, the number of cities that see culture as the key thing that actually defines their way forward, and the motor that will help to drive economic development and all of those things. So, the challenge undoubtedly is going to get greater. And so, whether it's affordable housing, whether it's other ways of making sure that the very, very best talent comes here, it's the talent that lies at the root, really, of the future.

**Judith Rodin:** James?

**James Schamus:** Did everybody here read the report that's kind of the pretext for why we're gathered? I'm not sure if you did, but it's great, and I learned a great deal from it, and, frankly, I just agree with every single policy prescription in it. I also think it's a very dangerous document in terms of our potential reception of it. In other words, if we take it as *the* prescription, then we actually have much bigger problems, because the technocratic framing of these issues and the kind of infrastructure and the kind of management solutions to what we think of as the potential crisis of New York's place as the cultural capital of the world, and ignoring the politics ignores precisely the reason for the culture itself, and the content of it, the reason people do it. So, some of the things I didn't see in the report, just words that I didn't see, things like African-American, Latino, Asian. I didn't see the word export, and we make our culture for the rest of the world. I didn't see the word immigration or citizenship or visa. I didn't see the word tourism, the interplay between our local and our global.

If we are going to compete, we compete globally, we don't simply compete as a sector of an economy that has a certain kind of marketing share that goes out. We have to think about borders, and so much of what we do is addressed not only from the dynamics of local cultures, and that means getting a little bit into the wet and dirty business of ethnic and racial politics in communities and the dynamics of real culture there, in neighborhoods, but also global, that is to say: how is the rest of the world thinking of us? And here we face some real issues. I mean, number one is, yes, clearly if you wanted to make an even stronger policy prescription, I think you could say the one thing you could do for New York culture more than anything else is to only vote for people who support single-payer universal health care. If you want to compete with London, either get national health or do something else, but that's how you compete, along with affordable housing and going back to the ways in which we managed housing markets before the real estate bubble, which will probably crash and create a depression, anyhow. But in the meantime there's probably saner ways to deal with it.

You also have the issue of – not only are we, look, intellectual property, after bombs and war and in competition with agriculture, is our biggest export. But for those of us who travel the world, over the border, what we're seeing, we're starting to sense, is a gigantic, collective global yawn at American culture. It's intermingled with fear and a kind of strange 'what are these guys up to next?'-ness. At the same time, the reception of our partners in global culture, you know, has gotten a little funky. When you have situations like you have one of the greatest filmmakers in the world shows up at JFK en route to the premiere of his movie at the New York Film Festival, and he's chained for twenty hours to a bench next to a boy whose parents have been taken out of

the room without food and water, and then his eyes are scanned, he's fingerprinted, he's shipped back home. That's Jafar Panahi, that's the New York Film Festival, and the collective silence of us, the kind of New York elite, to these kinds of events, it's not exceptional. This is happening every single day to our interlocutors in global culture and they're starting to notice, much more than we do. When you have situations where you've literally got hundreds and hundreds of people rounded up and tortured, and I'm not talking about Abu Ghraib, I'm talking about New York, this is Brooklyn and Passaic, our region, and that's what people are covering. Those are our guests. That's bad for business, you know, water-boarding your potential clients is really not good for the culture.

So, a couple of quick things – so, we have to engage those issues because if we look at it from a purely technocratic point of view, I think we're just going to kind of drift into a kind of enemy that's going to more than affect us locally, it's going to affect everything that happens in the city, including on the financial side. So I'd say, yes, please bring back the tax incentive for filmmaking locally, that's the most important thing. But also, let's fess up, you know, all the white people in this room – this is going to be a non-white city, this is a non-white city. And if we don't figure out how all the white people in this room, twenty years from now, should be kind of the non-white people dealing with this situation here and in a context that's global, we will have failed.

**Judith Rodin:** Except for Clive, all of the other panelists represent the for-profit sector in the arts. There is a collective complaint in the arts community that the for-profit sector is retreating, in terms of its support for the arts, the edgier arts, the arts that really move a city forward, that create the intellectual life and fervor, the kinds of issues that James is talking about are just one representative. How is the private sector thinking about its support of the arts, whether it's the local art event, the museum show, the whatever, that represented the mainstay of support of much that was going on, in addition to individual philanthropy?

**Barry Diller:** I'm probably not the best witness here, but I see lots of investment by for-profit across the spectrum, lots of things that anybody who has got stakes in the city, in any area of the city. You see enormous participation, I think, of things cultural, in terms of funding, in terms of stimulation, in terms of making people available. I mean, my company, we've got just dozens of little programs for people in the company to do things that deal with the artistic life of the community, we're building this new building and its surrounding area, which we think is a potential area for development because it's kind of, it's not exactly now cheap, certainly not as it was when we bought the land, but it's still possible, so to speak, I think, there, around the Chelsea area. So, from my point of view, I don't see a negative change to it. I don't have any stats, so I would move on with this question.

**Judith Rodin:** Any other respondents before we do?

**Clive Gillinson:** Judith, the only thing I'd say is that I think it's been a conflict forever for arts organizations that there's lots of people who support and give money, and in various ways, whether it's governments, whether it's individuals, corporations, and there will always be a tendency for people to think they want to affect what you're doing. And the responsibility is totally with the arts organization to say: the value to you is that we do what's important and we

do what's of value, and that you support that, not that we do what you believe in. And it's a question of the arts organizations having the courage and the conviction to say what they believe in and be willing to stand by it, and very occasionally, that will mean that somebody won't give money who might have done. But, I think in general terms, people genuinely believe in backing vision, and so the responsibility is ours, not to be pulled by the money into areas that don't have the challenge.

**Ann Moore:** I think as business conditions make it challenging just to be a big donor anymore, as a corporate citizen, we've got to find more clever ways to help the arts from the profit sector. I encourage all our executives, for example, to take board seats. We've just put somebody on the board of Lincoln Center. I went on the board of the Wallace Foundation myself, because I wanted to learn – the Wallace Foundation is a fairly sizable foundation from the founders of *Reader's Digest*, and we tend to give money to the two things I care a lot about: public education and how to restore the health of public education in America, and the arts.

And I have to admit, it is easier running a \$5 billion company than figuring out how to solve those two issues, because I've learned a lot in the couple of years I've been on the Wallace Foundation board. One of the things that just baffles me is how to help the arts with declining attendance, and you know, what other business skills can we help apply to the arts, to get attendance up, to maintain the health of just a diversity of small operations around the city that are absolutely essential for the health and the differentiated competitive advantage of New York is the health and the quality of our life, and the health of these arts organizations. So, I think that we could help more, the business sector, we could bring business skills, perhaps more than we are now.

**Judith Rodin:** It is important – time and talent, not just money, are resources that need to be brought to bear here to answer this question. Any other respondents? I look out at John Sexton, who will be the moderator of the next panel. He and I, he now and I have been presidents of great universities, thinking about educating students for the challenges of the future. As you look at the students that are coming, the graduates of these American universities, what are you seeing, in terms of your industries? What do you wish we were doing better? What do you like in them? What advice would you have for university presidents, or deans, who have much more control over curriculum? And what don't you like in seeing the current generation of students?

**Terry Lundgren:** I'll be selfish, because in our case, we were not seeing the best students, particularly coming to New York, and it was cost-related. And so I've now gotten close to Penn, as a matter of fact, and a couple of other schools on the west coast, and personally dug in and I'm finding that it's our issue, that we haven't been communicating, we haven't been making it clear, we haven't been providing them with the information they need to make decisions about the opportunities here, and how to get over those hurdles. We're doing that now, and we're having huge success. I mean, just huge, it just changed the whole recruiting program from night to day, in terms of attracting people into the fashion industry and the retail business in particular, great students. It was all about us, and not providing the universities with the communication they needed to talk about our industry and our business as a great place to have a career.

**Ann Moore:** Diversity is my issue, in the publishing business. I think I agree with James, you

know, the world is changing and I have to change my workforce to reflect the demographics of our readers, and we have a real difficult time recruiting enough diverse talent who wants to come into our industry and I've tried some creative ways around it. We've launched *People en Espanol*, so that we can train Hispanic journalists, and we just completed the sale of, we bought *Essence* magazine. So, we are fundamentally, I am focused completely on a diverse workforce, because I don't believe the current workforce can keep up with the changing demographics of this country.

**Judith Rodin:** Barry?

**Barry Diller:** Well, you know, again, in the areas that I'm engaged in, which require enormous technological interest, skill, ability, aptitude, and is peak at schools in the area and NYU, I think, is doing a lot in this fusion between artists and technology. But in fact, this area is just, is not a place where people who are especially technologically inclined, who are going to deal with various forms of, again, of creation of programming, this is not a place where – there's very little magnet here, so you don't really get that out of, I mean, I don't think you're getting it enough, again, because I do believe that, in addition to diversity, that also our communications are going from analog to digital. Now, it didn't really matter, particularly, the equipment you used in the film business. I mean, the fact that you had a camera, technological development in the camera didn't come along for about 50 years, from the Mitchell camera until Panasonic and other forms. But, so, the technological part of making things was not particularly important. You'd go to film school and once you figured out how it went through the sprockets, basically, you just named it. But now there is, and it's going to increasingly happen for sure, there's going to be a fusion which is going to have at part of its base, absolutely a demand for technological-based training, understanding, and it is not just simply being a kid who grows up with a computer and is therefore wired differently. It really, really is a skill set and it is not a skill set that is coming particularly out of this region.

**Ann Moore:** But, Barry, it could.

**Barry Diller:** Oh, I'm not saying by any stretch that it can't, I'm just saying: it isn't. It certainly isn't – you know, Stanford is a hotbed of development in these areas. So, too, I can name a host of places that are. This just isn't yet and I think it's got to be, or I absolutely believe, it won't happen for 10, 20, 30 years but relatively, not far off in the distance, we will not be the capital of the world.

**Ann Moore:** But do you think maybe we could band together and start it a little younger than at the university level? I mean, my son went to Stuyvesant High School, I can tell you, these are the smartest kids in the world there, and this whole fascination with technology starts a lot earlier than the college level. And you and I could set up some sort of digital class at Stuyvesant High School and start pumping them out.

**Barry Diller:** Fine, done.

**Judith Rodin:** Absolutely, our first commitment!

**Ann Moore:** I'm taking him down there April 28<sup>th</sup>, I'm hosting the robotics raffle, Barry, so you can come down and meet the robotics team.

**Barry Diller:** And I get to buy one? I mean, it's a raffle.

**Ann Moore:** You can take a chance on the raffle, that would be great. It's only a dollar.

**James Schamus:** He's dealt with all of them at CAA, back in his film days. Those are my agents. I would say two things – one, Barry, to assuage your concerns, as soon as Columbia University razes Upper Manhattan and creates a technological theme park, we'll be in better shape. But, what are our students learning? I love my students at Columbia, but here's what they're learning, most students in America are learning. Many of the students graduating from colleges and universities now have between 70 and 80 percent of their contact hours of instruction with underpaid and overworked graduate instructors and adjuncts. And these people are becoming increasingly marginalized and proletarianized, and their unions are being busted here and elsewhere as they're trying to form them, and that's a big lesson that our students are learning. They're learning that the life of the mind and the life of the creative arts is a life in which just the freedom of association we think of as distinctly American is constantly denied and in which the pennies that you can add up at the end of the month for devoting yourself to that, especially devoting yourself to other people who you think in the future would devote themselves to it, that pile's running increasingly smaller. So, I think one of the things we need to do is to think long and hard about the way in which we think about intellectual work and start with the universities, because those are the lessons that our students are learning right now. Normally, I'm not this tendentious, by the way. I'm actually a really nice guy.

**Judith Rodin:** I'd like to ask our panelists what they'd like to ask one another. I've had all the questions so far. What would you like to hear from one another? Clive?

**Clive Gillinson:** Well, Judy, one of the things I just wanted to come back on, firstly, is – one of the great things about the whole cultural scene and the whole cultural life here is the fact that it is multicultural. It's one of the great strengths, so I think it is really important to stress that, it's also really important to stress that the whole inter-reaction between cultures is why this is such a dynamic place to be and such an exciting place to be. So I think we've got to be quite careful that we don't imply that the cultural life is only about one culture. It isn't. It's very broadly based. The other thought I've got, we've talked a lot about higher education, but one of the things I felt, both in London and here, that people talk a lot about is the challenges of education in the schools, as well. And I think there's a challenge that I think the city could respond to, which is very much tied in with what we're talking about, in terms of cultural life, as well, and that is to actually challenge the great institutions and all the great cultural institutions to say: let's have a pact with the city, whereby we bring and attract to New York the finest post-graduate students, right across all aspects of culture, we actually seek to bring them here for two reasons.

One is to continue their training as individuals, but the second is to develop an absolutely central commitment within everything they do, to education. And so, part then of what they could do in their time here, is work within the schools alongside teachers so that culture becomes absolutely part of the way people grow up, the way people develop, because it is so fundamental. People in

so many countries tend to separate culture from other aspects of education as it's not part of the same thing. And it is. Every study that's ever been done has shown that you do better at mathematics, you do better at technology, you do better at everything if you also develop the creativity which are part and parcel of the cultural life, but they're part and parcel of all of the sciences, as well, and they're very much the same skills and the same abilities. So, if one could create this force, here, that the institutions and the city nurture, and then either you'd have attracted the talent, they would stay here, it would be part of New York's future, or else you'd have trained the next generation, where education and what they put back into society is just as important as what they develop in terms of their own skills and where they themselves are going to go.

**Judith Rodin:** That's very aspirational. Have you seen that work elsewhere? Is that being done in London?

**Clive Gillinson:** No, it hasn't. I have not seen it done anywhere in the world, and I actually think it's something that is ripe for the moment. I mean, the whole fact of having created the creativity agenda in New York, I think the people are there, when you look at the mayor's commitment to culture, when you look at Kate, when you look at the position of everything, New York is in a place where it actually could make that commitment and where it's got the major cultural institutions who have got education at the core of what they do. It could transform the way people grow up, and the way all our kids grow up and I think it's a fundamental part of what the future needs to be about.

**Judith Rodin:** The rap on some of the New York cultural institutions is that they don't play well together. How would you effect this kind of collaboration?

**Clive Gillinson:** I think it could and should be a challenge from the city to the cultural institutions, but I also genuinely think another aspect of one of the huge potentials of New York that, as you say, is totally untapped, is that most of the cultural institutions do operate singly. And I think the opportunity for them to work together and absolutely transform what goes on here, what we're able to contribute to the life of people, not just here, but around the country and around the world, with communications now. New York, in the end, is everybody's window into America, but it's also the window from the States out into the rest of the world. And we've got a much, much bigger part we should be playing.

**Judith Rodin:** Other thoughts on this?

**Ann Moore:** It's kind of a Teach for America model, for the arts.

**James Schamus:** Can I say something nice? Mayor Bloomberg mentioned the arts curriculum in New York City public schools, which is unbelievable. That's a proud moment for all of us at the time when everybody is marching to the tune of No Child Left Behind and just math and reading, for the largest public school system in the world to actually aggressively pursue an arts curriculum, I thought, was an amazing thing. Am I forgiven?

**Judith Rodin:** Joel isn't here, but Joel Klein would hug both of you, so, thanks. Other questions for one another or comments? Terry?

**Terry Lundgren:** Well, hopefully this will come later, not now, but we're prepared, everybody on this panel gives money, everybody on this panel has some role, a role we play on a board – I'm on Clive's board, I'm on other nonprofit boards in this city, as are all of us. So, we're trying to play an active role. What more could we, should we be doing? Because I think, obviously, we have a limited amount of time but we also would take a focused direction and be responsive to that direction.

**Bill T. Jones (from the audience):** You need another panel on that one.

**Terry Lundgren:** Okay.

**Bill T. Jones:** I'm serious. You really want to know what you could do?

**Terry Lundgren:** Yes.

**Bill T. Jones:** You should put another panel on that one, you should get more people who are hungrier.

**Terry Lundgren:** More people who are hungry?

**Bill T. Jones:** More people who are hungry. That's what this is about, right, today? About hunger? There are a lot of people who are not here today who are hungry, I mean in terms of culture. Okay, I'm sorry, I'm on the next panel.

**Judith Rodin:** We'll have a chance, but that's a good segue for those of you who do want to ask questions, the cards are in your bags, so please take this opportunity to write your questions and in a few moments we'll pass them to the end, to this side of the aisle, there are people ready to receive those questions. The Urban Institute has been doing work for a number of years looking at the role of arts organizations in their communities as partners in, as initiators of, and sometimes as preventers of community development. You're talking about inclusiveness and the opportunity for diversity to be expressed in many ways. What role do you think arts institutions, particularly those that often are located in neighborhoods that are in need of work and some of our most disadvantaged neighborhoods, yet themselves are often hungry, to follow that challenge. What role should they be playing and how can they engage, should they be asked to engage with their communities in a more direct way?

**Clive Gillinson:** I think, to be fair, most of the major arts organizations do do that. I know at Carnegie Hall, it's a huge education program in the schools. We have an absolute commitment – the only way we're going to all be able to do this is if we all work together – is that we should have a primary responsibility that every kid has the right of culture to be a central part of their life and how they grow up, which addresses exactly what you were saying. It is our responsibility.

**Judith Rodin:** Terry, an additional answer, at least maybe a first response to your question, and Ann signaled this earlier in talking about many of her executives, is lending not only artists, the new post-graduate model that Clive is talking about, but really lending your employees with skill sets to various arts institutions, not only to serve on boards but to really use their skills and teach their skills, helping to move the agendas forward. It's so hard in running a nonprofit institution, every bit of personnel hired is money taken away from activities that could be mounted, and so is that in the cards for the private sector?

**Terry Lundgren:** It's possible, it's possible, but it needs real organization. You simply can't, you can do what you do and I think most companies have programs and plans for their employees to be engaged in the community, but in fact, I don't know that there is a resource where in fact that gets organized, so that you would know that you could send these people to that place to do this thing. At least I'm unaware that it exists, if it doesn't exist, I would think that certainly companies that are very free and willing and encouraging of the people that work in them to be involved in the community would love that.

**Judith Rodin:** Kate? Your office organizing it, or this new desk in Dan's shop?

**Kate Levin:** We are exploring a partnership with an entity called boardnetUSA, which actually matches up people who want to be on boards with cultural organizations. It's a somewhat old interface, but it's actually quite effective and we're working on how we could ramp that up for cultural institutions in New York City.

**Judith Rodin:** But this is beyond boards.

**Barry Diller:** I don't think it's really boards. To me, I think it's really saying to the population. We have in the New York area, we have about 1,500 employees in and right around the city, and we say to them: we want you to devote a number of days a year to purely community work, things that you can do in the community.

**Kate Levin:** The other response is the Mayor's Volunteer Action Center has a United Way partnership database that also helps some of those matches. But what we find, unfortunately, is the technology is old and people don't use it as much as they might, but we'd love to follow up on that.

**Barry Diller:** I'd love that little challenge. That's a nice challenge grant.

**Terry Lundgren:** And I do think you can organize inside your own company to accomplish much of this. There's a lot of demand out there for the work to be done. We have a huge program within our company called Partners in Time, where employees sign up – it is voluntary, they don't have to do it but we have huge signups, I mean, enormous signups, where people will take two and three days at a time to help reconstruct housing or take time to do physical activity.

**Barry Diller:** That, yes, but not connected to some of the things that have been talked about here, in terms of helping teachers, being alongside them, lending your expertise to areas of education where you can actually have real value-add because of what you know, where you can

actually – my God, at this late stage, I am not, God knows, a technologist – but downloading what you’ve got to eager ears.

**Terry Lundgren:** We’ve adopted public schools. Each of our stores adopts a public school and it’s their responsibility to give hours of time – teaching, training and educating about what we do, whether it be fashion merchandising, product development or the like – and the employees get as much out of it and enjoy it as much as I think the students do.

**Ann Moore:** One of the things that I’ve been very impressed by and very supportive of is the whole idea of ‘principal for a day.’ There’s been nothing better to really get to learn what a school needs than to participate in that program and so what’s the equivalent of principal for a day on the nonprofits and the arts?

**Judith Rodin:** Terrific. Let me take a question from the audience. We’ve been pushing the role of the private sector. If you could recommend a single policy to the city to support the creative sector, what would that be?

**Barry Diller:** I’ve been clear about saying it is, whether it’s WiFi for the city, wireless for the city or whatever, it is to absolutely market his city in terms of just transmittal ability, so that it has as rich a bandwidth for as many people that want it as any place in the world. To me, that would be great public policy.

**Ann Moore:** I agree with that, but also a second request or wish on my part – I think one of the major industries in this city that is really in tough shape these days is the advertising business, and one of the reasons publishing is here because that’s our biggest revenue stream. And as you see the decline of advertising as a business, I wonder: what could the city do to hold up the advertising business? You know, shouldn’t we be advertising? I do believe advertising does work, and one of the things that I miss is the old I Love New York kind of campaigns that really showcase the city and would pump some vitality into a business that’s in trouble.

**Judith Rodin:** Other thoughts on this? Terry, a question for you. The question is: does New York truly have a future as the fashion capital of the world? And what will it take to keep it that way?

**Terry Lundgren:** Yeah, no question about it. Clearly it does today. We have lots, as we’ve said, we have lots of choices to relocate both employees and fashion awareness and fashion shows and activities outside of New York. But we’re not doing that. The opposite is occurring – in fact, while always with mergers and acquisitions of our size we’ve been involved with, there are consolidations and job layoffs, we’ve actually added jobs in New York, because the creative requirement is so intense now. And so, this is where it’s at, this is where it’s happening and it is clearly the place where people want to come to see and find fashion. So, they’re coming here from all over the world, by the way – not just from America, but they’re coming from Europe, they’re coming from Asia, to find fashion in New York and this is the hub for that. What’s going to make it stay that way is just this continued emphasis and focus on the fashion industry. We happen to have a leader in this city who understands that the fashion industry is a very important business in New York City. When you think about all the manufacturers that are employing

employees – not just the retailers, we have 17,000 employees ourselves, we’re one company. The fashion industry is a major industry for this city and recognition of that and the continued support of that, which we now get, by the way, is going to be what is going to keep us at the forefront. It’s not going to be an issue where we have to worry about losing the fashion industry to Boston or Dallas or something of that nature, in my opinion.

**Judith Rodin:** This question is about an investment fund. Should there be an investment fund to encourage and incubate talent in the boroughs? The mayor indicated in his very generous introduction of me that several foundations and banks had joined with the city to create a \$200 million investment fund for affordable housing in New York. Where are the ideas like that to create investment funds for the creative community, for the arts communities? Should it happen, who should energize it, would you contribute?

**James Schamus:** I’m in the film business and we’re completely mercenary, so the answer would be a polite no.

**Barry Diller:** It’s a complex question. I don’t have an answer.

**Bill T. Jones:** What’s so complicated?

**Barry Diller:** What’s complicated is when you talk about investment funds, you really need to say exactly what the purposes are and you simply need to – I mean, it’s complicated because, at least for me, I don’t understand the actual basis of what’s to be accomplished. Define what’s to be accomplished, you can raise funds certainly, if it’s investment, meaning it’s actually a thing that you expect at least to get your capital back, then you have to go through a process. So, too virgin for me.

**James Schamus:** Look, there’s a bigger political context. I guess it was a professor at the University of Chicago recently published a study which showed that when you conglomerate banks and you achieve a certain critical mass of that kind of activity, it especially affects neighborhood banking and community banking, in cities that you can chart a ten percent increase in local crime, for those neighborhoods where banks have merged at a significant rate within the past five years, because the banks aren’t paying any more attention to those neighborhoods. I actually think that the economic development office, the focus, especially the second-term focus on the outer boroughs is phenomenal. I mean, it’s an amazing thing, we should all take note. But there are other factors impacting that are beyond even local governmental control and the kind of corporate partnerships that these kinds of funds can do, we’ve got to pay attention to those big political issues, also.

**Ann Moore:** When I think about investment funds, I’m reminded that Sunday night, my husband and I strolled down to DUMBO. How many of you guys have been to DUMBO or know where DUMBO is? It’s Down Under the Manhattan Bridge Overpass.

**Audience member:** All of us.

**Ann Moore:** You do, okay, good. It was fantastic. This neighborhood has been transformed and it reminded me how much I hope that we'll continue to push, even though we didn't get the Olympics, on the development of the waterfront and other neighborhoods where it makes you feel like a young kid again walking through a neighborhood that has come back to life like that, where you do see art galleries and you do see local businesses and small restaurants and there were so many people out on the street. I've lived in Brooklyn most of my life and I've not seen that kind of foot traffic on a Sunday night in a long, long time. It was really very exciting to witness.

**Judith Rodin:** Next question. James alluded to this and let's take it directly. Are immigration issues affecting access to talent in your sector?

**James Schamus:** Yes.

**Clive Gillinson:** Well, it's certainly, in the whole arts sector, it's far, far more difficult –

**Barry Diller:** Yes. We're certainly not an inviting – we're not a place that greets people with a big happy smile to come into the melting pot.

**Judith Rodin:** Yeah. Tough question. How can non-starving artists become more motivated to give their time and resources, as business leaders are encouraged and expected to do? The question is – why should just the affluent business leaders be asked to give their time and energy? Maybe it's a comment. The mayor announced the new city not-for-profit desk. If you had to give Dan advice about what its agenda should be, what should it start with and what should it be doing, what advice would you give them?

**Barry Diller:** Not being engaged in a not-for-profit, I think my advice is superfluous.

**Judith Rodin:** Clive, would you like to take that?

**Clive Gillinson:** Well, I suppose, the suggestion I made, in terms of trying to bring talent in here, training talent, how you engage that talent in actually really making a contribution to life in New York City, particularly through education is something that I think could be one of the most fundamental contributions that could be made. I've been here too short a time to be really clear about other things in terms of the real needs for the not-for-profit sector, so I think it's too early for me to say.

**James Schamus:** I think the report really gives a great framework for precisely the kind of thing that that kind of desk can do, in particular, any information about things like health insurance and subsidized housing. The report really gives a context for what the clientele for that desk is going to be looking for. It's kind of a perfect framework.

**Judith Rodin:** Living in the 501(c)3 environment, and Ann asked what was happening in Philadelphia, there have been many complaints by that sector over time that economic development is always about incentives for the for-profit sector and that incentives for the not-for-profit sector, who were expected to stay or expected to go it in a different way, haven't been

as systematically utilized by city governments, certainly that was the case in Philadelphia. Are there specific ways that this desk could think about that in new and creative initiatives?

**Clive Gillinson:** Well, Ireland undertook a very interesting project a number of years ago. They decided they wanted to attract a lot of the greatest artists to Ireland, and so they very specifically exempted or reduced the tax burden in order to attract those people there, and it has absolutely transformed the people that come there. Now, I'm not meaning that that necessarily should apply to the executive director of Carnegie Hall, but as a means of attracting people, it was very potent.

**Judith Rodin:** I think it is one creative solution. Another question – what role does hip hop culture play within your various industries or sectors?

**Barry Diller:** I mean, it infuses everything. I mean, it infuses not *everything*, but certainly if you have – we have about 30,000 employees, the age of those employees is remarkably young and anybody who is young, and everybody young, in one form or the other, listens to free music or its like, and so all of that – that's been an influence in many different things, just in the natural ethos that's going on around people who are just out in the world, out in the city.

**Terry Lundgren:** It clearly influences fashion and has influenced fashion in a major way, and so our obvious association with hip hop music and celebrities has been important and continues to be very successful, a successful part of our business.

**James Schamus:** It's a huge part of our business, of course, especially where it intersects with music culture. But surprisingly, the other place, my other business of teaching at Columbia, I'll tell you that in the last ten to fifteen years, my students are so much more attuned to language, and when you think – when hip hop first appeared as this kind of foreign other thing that was going to ruin the culture and to see how it has in fact gone full circle and has allowed me to deal with students –

**Bill T. Jones:** Co-opted, you mean?

**James Schamus:** No, not co-opted. Look, I just distributed *Dave Chappelle's Block Party*, which I think is probably one of the most hopeful and just genuinely transformative movies I've ever been associated with, across the board, from Fred Hampton, Jr. to the Fugees coming back together. But what I was saying is my students are really aware of language in a way, as it relates to them and to pop culture. They were never that way before hip hop, the ascendancy of hip hop. I deal a lot with written text, so it's been a great thing for me.

**Judith Rodin:** Let's stay with you. Hearing one of your former answers, someone asks: do you think the creative economy is driving increased inequality?

**James Schamus:** That's a really good question. I think that right now, like every other sector of the economy, it's reflective right now of the increasing disparity between those folks who are doing a lot of the work and those who are reaping a lot of the rewards. So, yeah, I think you can see the dynamic, especially in the film business. Mayor Bloomberg was correct: it's not all star salaries, but it's a lot star salaries. It's what my wife calls the frequent flyer theory of life: the

richer you are, the more free shit they give you. We even have swag bags here. I don't know what's in them, probably very interesting stuff. But, the culture of this kind of just ballooning, certainly, clearly has impacted the way we negotiate, especially in the independent sector, how we're negotiating the relationship between a star culture and those disparities, and a more home-grown culture, a more independent culture.

**Judith Rodin:** We have only a few minutes left. I'm going to give each of the panelists a chance to summarize, make any final statement that he or she would like to make, recommendations, further issues that the next panel ought to think about or provocative comments for the audience. Barry?

**Barry Diller:** Well, I think I've kind of said what I've thought about the various things. Look if it's really to be productive, we're here to try and challenge the question of: how do you perpetuate these things? There have been many ideas. The question I always have about this kind of thing is: what is the follow up? Will we actually really engage? Will we do something, will we find some ways to take some of these ideas and will we actually do something about them? So, I would hope that we would and I would hope that we would be held to account that we would, because I think that would be actually productive.

**Judith Rodin:** And I think there will be follow up, I think the representation of the various groups that would make that follow up happen are all in the room, and I think, I hope that our presence is really a commitment to really doing more than just talking about this. Clive?

**Clive Gillinson:** One of the things I've found a lot, the number of institutions where one talks to people and you ask: what are your objectives, what are you here for? And they will talk in terms of the institution, rather than in terms of the contribution the institution can make. And I think all of us will come to the right answers if instead of asking what's best for us, we actually say, what is best for, I mean, in our case: what is best for music? What is the greatest contribution we can make to music? And what is the greatest contribution, through music, we can make to the society in which we live? And I think if all of us turn it round the other way, and look from that point of view, it then becomes very easy to come up with the right answers, but most of us don't ask the right question in the first place.

**Terry Lundgren:** I would say I have a vested interest in keeping New York City as the creative capital of America and of the world, and what I would encourage is a lot of what's been said, is to be specific with those recommendations about how we make sure we do that, because you'd find that we are very responsive. The business community is very responsive, and it may be a surprise, of all the things that we are doing, a long list of all things we are doing, on many issues that we talked about today. But the best way for us to be responsive is when you can be, we can be specific: here's an idea, do this and this will happen, and you'll find the business community will be very responsive to ideas just like that.

**Ann Moore:** I think that creative people flock to New York because they want to be around other creative people, and the quality of life in New York, certainly in the last thirty years since I've been here certainly has, you know, really improved and we need to keep it that way. What's going to keep creative people here is that – I always think: every problem I've ever been in a

brainstorming on always goes back to the starting point of schools and education. We really could do a lot to hold up the arts in our schools, to retrain our creative people to face the new world of technology. So, I always end up right back in the schools, and anything we could do to hold up the arts in the schools would be really the solution I would look to.

**James Schamus:** I'm plum out of provocative things to say. I'll pass.

**Judith Rodin:** Well, we've had a wonderful panel. Please join me in thanking them for their comments. I know that this conversation has stimulated you. We are leaving enough time in a coffee break for you to have great conversation with each other. Again, thank you all.

*Introduction to Second Panel: Jonathan Bowles, Director, Center for an Urban Future*

**Jonathan Bowles:** Hello. My name is Jonathan Bowles and I'm the director of the Center for an Urban Future. My colleagues and I at the Center are thrilled to play a role in this event and to help stimulate ideas for strengthening the many organizations – both nonprofit, for-profit, small and large – that comprise New York's creative industries. Before I introduce the moderator of our next panel, I'd like to extend a very hearty thanks to The Rockefeller Foundation and the Robert Sterling Clark Foundation. Their generosity and support was instrumental in making today's event possible.

I'd also like to thank the groups that supported the Center for an Urban Future's *Creative New York* report: Deutsche Bank, The Gimbel Foundation, Independence Community Foundation, The New York Community Trust, Rockefeller Brothers Fund, The Taconic Foundation, The British Consulate General, The Robert Sterling Clark Foundation and The Rockefeller Foundation. Also, a big thank you to the Museum of Modern Art for graciously hosting today's event and for the wonderful MoMA Highlights book the Museum has donated today. Finally, a special thank you to the Carbone Smolan Agency for designing the materials associated with today's event.

Our next panel focuses on the kinds of strategic investments that are needed to renew and build upon New York's creative strengths. This panel will be moderated by John Sexton, the president of New York University. It's my pleasure to introduce President Sexton, who has served as NYU's president since 2001. He is also a professor of law and Dean Emeritus of NYU Law School, and has long championed the role of the city's intellectual, cultural and educational assets in the future growth of New York's economy. President Sexton?

Panel Two: Capitalizing on Local Assets to Sustain a Competitive Edge

*Moderator:*

**John E. Sexton**, *President, New York University*

*Panelists:*

- **Fernando Espuelas**, *Chairman & CEO, Voy, LLC*
- **Bill T. Jones**, *Co-Founder & Artistic Director, Bill T. Jones/Arnie Zane Dance Company*
- **Virginia Loulouides**, *Executive Director, Alliance of Resident Theatres/New York*
- **Glenn D. Lowry**, *Director, The Museum of Modern Art*
- **Mary Ann Tighe**, *CEO of the New York Tri-State Region, CB Richard Ellis*

**John Sexton, New York University:** Thank you, Jonathan. My task is to try to continue the fine work of Judith Rodin. Let me say a word about Judith. I think it's an absolutely wonderful thing that here, less than a year after arriving in New York, she has thrown herself into this quintessentially New York agenda. When I look out at the role models of university presidents, I've said far and wide that Judith's set the bench mark, the platinum standard for what it means to be a university president and, most of all, a university president who understood the city in which her university resided and embraced that city and created a wonderful synergistic partnership between the city and the university. And I know that she will bring that same passion to creating a partnership between the foundation and this agenda in the city. And it should not be missed that here we are on this wonderful day, created in part because of her leadership, and the leadership of the foundation, and I think that's a symbol of what her priorities will be. And I applaud that, because as Barry Diller said at the end of the last panel, the key will not be how we feel – glowing or not – as we leave here today, the key will be the outcomes, the practical outcomes, not only for the established creative institutions of this city but also for those that are fledgling, those that are struggling and those that are just, at this point, dreams, because this is an organic process and it's critically important that we see it as an organic process and it's important that there be the support of leaders like Judith who set the standard in whatever field that they enter.

The previous panel, deliberately so, had an emphasis on people from the for-profit sector, not exclusive, but it certainly had that emphasis. And if we do our work here, we will give some voice and feeling to Bill T. Jones's cry of hunger from the front row. Even as the first panel was continuing, I said to Bill that he was going have to really bring that spirit to the room. And I know there's never been a room that Bill encountered where he couldn't bring whatever spirit he wished. Now that's not to put the onus only on him, but that's an onus that all of us wish to cooperate with you to do. Jonathan made a reference to my general thinking in this area. I'm struck by Mike Bloomberg's attitude and leadership in this area.

It was a year ago February that the mayor asked me to – I remember, I was called and I was told that the mayor wanted me to go to the islands with him. This was at a time when no one knew the islands to which the mayor was going. And he said he wanted me to go to the islands with him on a weekend, and I felt very, very touched and thrilled. And then I found out it was Staten Island. But, indeed, he asked me to come over to Staten Island, and to talk to a group of

commissioners and others in his administration. And it was quite an impressive thing to be happening, you know, in the February before an election. It had nothing to do with the election. It was not utilitarian in that sense. My mandate was to think with the commissioners about the future of New York City, and what it would be that would be an organizing principle for New York City, if we looked out for 25 or 50 years. And I – as you can tell from my accent – I think that New York, I know that New York, is the center of the world. And since I have a PhD in religion as well as my law degree, you can know that that’s true. And I began to think about what it was that had made New York a great city and, you know, the beginnings are obvious: the harbor, and then the great Hudson River and the Erie Canal, and the development of what are called – it was referred to in the mayor’s remarks and Judith’s introduction – the FIRE sector: Finance, Insurance and Real Estate.

But many of us that intersect in various ways with the FIRE sector are beginning to hear the people in those industries talk about – I’m talking now about the people concentrated at the top of those industries – talking about moving elsewhere, moving themselves, at least, elsewhere, and how propinquity to the markets is less and less important. And in taking this mandate from the mayor back a year ago February, I came up with a phrase, with a nod to Robert Frost and to the biography of Charles Revson – my wife is the president of the Charles Revson Foundation – and I said the future of New York City will be combining FIRE and ICE. FIRE and ICE. And FIRE was going to be there, but what would cause FIRE to remain here would be if we really made ourselves the ICE capital of the world: the Intellectual, Cultural and Educational capital of the world. And if you think about the ICE sector, which is a bit broader than what we’re talking about today, but contains what we’re talking about today, we have tremendous assets in place. This is simply a question of noticing and nurturing – noticing and nurturing and building.

That’s why today’s agenda is so important. In the educational area, and this is not about this but I want to arm you with these facts because they’re so compatible, you could win a bet in virtually any bar in this country by knowing the following piece of information. I’m going to now make all of you – all of you that are struggling to make artistic enterprises work – I’m going to arm you with at least one good bet that you could win, to get money for your organization. New York City has more students in higher education per capita than any other city in the United States. It’s not Boston; it’s New York City. And New York State is the leading importer, both gross and net, of students from the other 49 states into its colleges and universities. It’s not Massachusetts, it’s not Pennsylvania, it’s not California. And there’s a tremendous intellectual and educational base here.

Just one quick incident, and then I’ll move right to our agenda for today. I have what I call ‘Saturday sessions’ with faculty, where any faculty that want in the university can express an interest to get together, in a group of eight or ten with me, two hours, no agenda. And about six months ago to my right in one of the Saturday sessions was a neuroscientist who works on the sight of flies. Okay, this man spends his life studying the sight of flies, and he thought it would be a good idea to get together all the people in the metropolitan area who were working on the sight of flies, at an A-plus neuro-scientific level, and he put together a conference with two hundred people. Two hundred people! So, think about that just for a second, okay? This is like the old—remember the old commercials “there’s more in New York than...”? There is. There are more Nobels, there are more National Academy people, and to come to the C part of ICE,

there are more creative people in this city than any place else, and we have to notice that and nurture it and communicate it and magnetize people here. And then we have to get the programs going on the ground such as some of the ones that were mentioned in the first panel: affordable housing, transportation, good public education. These things have to be there to provide the backbone so we can liberate people to be creative.

Now on this panel, we have five extraordinary people who will both give you their reactions on the first panel and move the conversation forward, much in the same manner that Judith did in the first panel. I start with Fernando Espuelas. Fernando and I were just talking about a phenomenal film, a documentary he's done on the favelas of Brazil. I was in the favelas just after his crews were there. And if you haven't seen this documentary, I can tell you it's extraordinary. He's chairman and CEO of the Voy Group, a multimedia company which reaches Latinos and Latinophiles. My family is a family of Latinophiles. He's the co-founder and CEO of Star Media Network, he's the author of *Life in Action*, which if you know Spanish, connects to Voy, as the title of his company. And he's host of a soon-to-be-launched English language talk show called *Go*. *Time* honored him as one of the leaders of the millennium, and the Davos Forum lists him among the global leaders of tomorrow.

Bill T. Jones, who gave one of the most remarkable commencement speeches I've ever seen, at the Tisch graduation, two years ago, I think. It was a dancing speech. It was a dancing speech and absolutely spectacular. He is the artistic director of Bill T. Jones/Arnie Zane Dance Company, formed in 1982. He is a recipient of the MacArthur Genius Award, he is a recipient of the Scripps American Dance Festival Lifetime Achievement Award, the Harlem Renaissance Award. He's choreographed for Alvin Ailey, Boston Ballet, the Berlin Opera, among others. And I'm proud to say that just last month in our Skirball Theater, we had the world premiere of 'I Bow Down,' after which Bill did a talkback section, and the people at NYU say it was the most remarkable talkback session we've ever had at Skirball.

Virginia Louloudes is Executive Director of the Alliance of Resident Theatres. Since joining the Alliance of Resident Theatres as its executive director, it's now fifteen years ago, Virginia has developed many of the organization's signature projects, providing office, rehearsal and meeting space for not-for-profit theatres and arts organizations across the city. She serves on the Art, Culture, Tourism and Education subcommittee of LMDC, and she's on the executive committee of the New York City Arts Coalition.

Glenn Lowry, the sixth director of MoMA. A little more than ten years on the job, our host today, for which we thank you, Glenn. Along with Alana Heiss, of P.S.1 Contemporary Arts Center, conceived and initiated the partnership of two great organizations, a model for many of us. He's chair of the Smithsonian Council, a steering committee member for the Aga Khan award in Architecture, and he serves on the Department of Art History and Archeology Advisory Council at Columbia. And unless anybody in the room feel, as some of you apparently did in break, that any time Columbia is mentioned, people from NYU feel bad and vice versa, this is first of all, utterly out of the spirit of the day, utterly out of the spirit of the day, and absolutely untrue. See here that thing about PhD in religion, please. This is absolutely untrue. Both Lee Bollinger, the president of Columbia, and I, have been friends for 25 years, we both clerked for the same judge, and we both understand that this city will be great only if, in the words of Judith,

the great institutions in the city learn to play together well. And Columbia and NYU, actually enjoy great synergies together, not the least of which should have been mentioned by Jim Schamus, which is the fact that our graduate Ang Lee directed all his films.

And then of course there's the incomparable – this is part of her name – the incomparable Mary Ann Tigh, CEO in the New York Tri-State region for CB Richard Ellis. This is the city's leading commercial real estate firm, they are almost single-handedly responsible for all those high rents. But she is also a friend, a dear friend, of creativity. Note the word also – formerly she served as Vice President of ABC, where she launched the A&E Cable Network. She was deputy chairman of the National Endowment for the Arts, Arts Advisor to Vice President Mondale. This is an absolutely terrific panel. Will you please join me in welcoming them?

So I'm going to want to start by asking various of my colleagues here to give us – how shall I put this euphemistically? – the resonations from the first panel that still live in their creative hearts. And I'm going to start with the hungry man, Bill. And ask you, in your experience as a performer in the performing arts and building a performing arts company in the city, how would you say it differed from Clive's? You know, Clive comes in and seems to be in a different place from where you started in 1982, and what, as you listen to the first panel, what about that difference did you mean to capture, if I understood you correctly, in that word hunger?

**Bill T. Jones, Bill T. Jones/Arnie Zane Dance Company:** [Singing] Start spreading the news, I'm leaving today.

**John Sexton:** No, you're not leaving. That's the whole point.

**Bill T. Jones:** No, and my whole point is that I'm not long on irony. And that song, like Mr. Gillinson's comment that "ambition is in the air," is something that is I think a lot of what's driving me today. And there was something about Mr. Gillinson's remarks that did catch me a lot today. First of all, I want to clarify what I meant by "hungry," because it speaks to a different issue, I don't mean to be a softheaded left-wing person. The fact is there are people who are fighting for their very identity in this town, and I think that that's what this conference is about. And if there was any impatience in what I said today, I would like to feel more urgency in the room. I think that we have to understand: when I was asked to answer this question, I polled about five of my former dancers – and I'm glad to say I do have dancers who do still want to participate in this thankless task of being a modern dance choreographer – and I was shocked at the way they were answering the question: how are things different from Arnie Zane and myself starting in the early 1980s and Mr. Gillinson? And they are really depressed. They are, I would dare say, I would dare say, they are despairing. And that made me very sad, and I dare say, angry. Despairing.

Now, dance, the challenge of dance – and once again, Mr. Gillinson, you said: everyone in the world will have access to the very best at the touch of a button. You cannot get me dancing at the touch of a button. You never will be able to. You will get dance made for video, but it is not dance. Dance is about the space between you and me, right now in real time and real space, real gravity, somebody could die on the stage, we don't know what's going to happen. Laugh if you like, but that's what's at stake. That's what used to make this town so dangerous, because people

were taking real chances with bodies and time and space. Now that is to be said, I do not want to be the sour grapes around here, because the information era is taking away huge audiences. It's true what Mr. Diller said about South Korea. It's true – that is the most plugged-in culture. Where is the funk? Where is the sweat? Where is the thing that ancient Greeks understood about live performance, which is not only were the performers there to be seen but you were there to be seen; you showed up for a religious event. This is what live performance is; dance. You don't make a damn cent in dance.

So, when I'm asked to sit on this panel and talk about being part of the new economic engine of New York City: are we serious? Are we serious? I actually took that question to mean: I'm interested in the hot new web designer. I'm interested in the hot new recording artist. I'm interested in the hot new filmmaker. Let's use dance – not for me to say mea culpa, mea culpa – but dance is the idea of what do we mean by a spiritual activity.? This one's not going to make anybody any money. The culture, does the culture talking all this highfalutin talk today about creativity, truly value something that does not have a product? The conceptual artists in the room know what I'm talking about. Correct? You know what I'm talking about. Look at this edifice. Do you know how many tragedies are in the rooms upstairs? People who didn't make a damn cent in their life? Okay, turn it down, right? What did he say, more light, less heat?

What did I have here: dance company. Dancers available in 1982, I don't know when Carnegie Hall started, but people were loose, free. The subway was maybe 50 cents when I got to town. Those of you who ride the subway, you know that's a joke now. Dancers would work for a song. Dancers did not expect insurance, life insurance, they did not expect really to have middle-class lives. Now everybody does. And they're right. Rehearsal spaces were cheaper, we've already said that. The report says it very clearly. I was sort of shocked that people even had to say it. New York City has been gentrified. You cannot afford to work in anything that doesn't turn a profit anymore. Can you? What's the big news?

Funding for work development: the funding base has shrunk. I appreciate what Mr. Lundgren was saying about the business community being responsive, and he said: what do you want us to do? Well, let me sit down, and talk to you about it. It is around this question of: how do you fund a work? How do you pay people to do it? Health insurance, all these things are in the report. And I am learning a lot today about what I thought was common knowledge, maybe, that's because my feet are down on the ground with a lot of hungry people. And that is what I meant by 'hungry,' right Harvey? Right? And, professional development, management. You're lucky right now if a dance company can afford to get somebody college-educated who really knows how to handle the incredible task of fundraising and network building and so on that it takes to have an organization that can survive for twenty years, as we have done, and I'm very proud.

Marketing. As the competition is more intense, the demand for sophisticated marketing materials is much greater. That's an area that some of these communications persons might help us with. Because dancers: we are in real time, in real space, but we're expected to compete with virtual reality in that respect. Touring. Well New York is our home, but these arts have to be taken to people. Touring – we are often seen as money losers. Where is the government that is going to come in and help us get our product out there? How do we do that? We have something that's

live and important but it's very, very difficult to get it out there. And as a friend of mine, a dancer said: "look, it's hard to find an agent who wants to take 20 percent of \$2,500."

Fundraising – funding source is like space. If it has not shrunk, it certainly has not grown in comparison, and we demand and we need more of it. Corporate support has transferred what might have once been called philanthropic in their giving, to what is now called marketing. Let me tell you, a corporation that shall not be named. I was sitting one night at a benefit dinner, and the lady across from me I found out that she was the head officer for giving. And when she smelled a hungry artist, you should have seen her nostrils quiver. Because they get hit on all the time and, quite frankly, what is the return? That's what it's about now, what is the return? It's the prestige of participating in the loftiness of Western Art, right? Uh-uh-uh, but we can talk more about that. Now, the other part of this question was, I was asked, where is the situation better?

**John Sexton:** Let's hold that. I want to ask: Fernando, on a spectrum from Bill to Barry Diller, where are you?

**Fernando Espuelas, Chairman & CEO, Voy LLC:** Hopefully somewhere in the middle.

**John Sexton:** In the middle, okay.

**Bill T. Jones:** Oh, not in the middle. No, no, no.

**John Sexton:** Go on.

**Fernando Espuelas:** What's your question?

**John Sexton:** You have two data points: you have the first panel and you have Bill. I just want resonations and reflections on what we heard.

**Fernando Espuelas:** Well, you intimated that this was the nonprofit panel, and I like to believe I'm only here temporarily while our startup gets going.

**John Sexton:** This is the predominantly nonprofit. Way down there on the right [alluding to Mary Ann Tighe], that's profit, believe me.

**Fernando Espuelas:** Well, look, just by very brief way of introduction, we're an integrated media company focused on the Hispanic market, but we're focused on the new generation Hispanic market, which is English language, and so everything that we do is primarily in English. So, we're at an interesting crossroads between what is an expanding – at this point I think everyone understands the Hispanic market is one of the most interesting economic opportunities in the country. It's the largest Latin economy in the world, as a matter of fact. What's not readily understood is that the market has transitioned and is now a market primarily of Americans who happen to be Latin, as opposed to a market of Latin Americans living in the U.S. So, we have a lot of interesting conversations with people where they get 'aha Hispanic,' and their eyes just roll over when you say 'in English.' And so there's that moment when you're

very much on the edge, and how do you explain that, how do you take people through that process? What's interesting about Barry is he's very big into the Internet, but of course he came in the second wave. My previous company was in the first wave, and what was interesting about developing that company here in New York was that it was a huge struggle. We spent a year and a half meeting with every venture capitalist in the city and elsewhere who just could not understand that Latinos would use the Internet, who did not understand that there was a pan-Latin identity that could be connected through technology for the first time. And I'm having a bit of a déjà vu actually, because I think if we decided to do everything in Spanish we'd have tremendous amount of support, but because we are really looking forward, as opposed to backwards, and therefore in English, it's a bit of a challenge.

Having said that, New York is my inspiration. New York is the place where, as a little boy coming from Latin America, this is where I wanted to be and this is where I aspired to make my name. And it's really fascinating that people are still, I think, challenged by new things in New York. And maybe it's – you know if you have to go back all the way into history, this is a city that was started by Dutch traders, essentially, and so very comfortable with concrete kinds of transactions. I now live half my time in L.A. because I found that I was just exhausted from talking about something that didn't exist and having blank faces. And in L.A., as you know, because of the culture there, you show up and you say: I have an idea, an idea of two gay cowboys, and people go: wow, can I give you \$50 million dollars? And, you know, sometimes it works, sometimes it doesn't work but that opening is there and it's there as a default, whereas what I've found is that the default, unfortunately, in our city is a door closed and it takes a long, long time and, I think, a lot of energy to break that door down.

**John Sexton:** But you've succeeded in opening doors here.

**Fernando Espuelas:** Yeah, I mean one of the things – you can probably guess from the name of my company, the name of my book, and the name of my show is that “No” is not really one of those things that has permanence in my mind, and so once I decide that this is the way I'm going to go, I'm going to go. I might fail but I will go regardless. And so I think that a lot of people – let me be more precise; there was a commission started by the mayor a couple of years ago to foment Latin media in New York. And it was really a nice idea and I met several members of it and had many, many discussions. I think that the one and only project they actually put on the table was to help a poor little Latin American media conglomerate shoot television shows for less money in New York than they could have otherwise. And what was interesting about this commission was that it was very, very light on entrepreneurs. In fact, as far as I know, there were no entrepreneurs on it. So it was a little bit like a group of scientists looking at an ant colony, you know, trying to interpret what this meant. And in the end it doesn't seem like they were able to interpret it. So I think there's good will, there's an understanding, there's an opportunity, there's a challenge on how that opportunity actually is realized. But I still think that we share the same thing: you're an artistic entrepreneur [looking at Bill T. Jones] and I'm not an artistic entrepreneur, I'm just an entrepreneur, but having, you know, breaking through is the biggest challenge and most people give up well before the last no is delivered.

**John Sexton:** Is that what you find with your clients, Virginia? I mean because you're working with them and have been for years on the issue of space, which is one of the most –

**Virginia Loulouides, Executive Director, Alliance of Resident Theatres/New York:** Let me just give you a little bit of background. We do much more than space. We're a nonprofit organization, in 1982, we had 150 members; today we have 400 theatre members. We provide funding, we provide micro-lending for both cash flow loans, lines of credit – because the banks were pulling in lines of credit in 2000, just before 2001 – and we have the nation's only real estate lending program, which gave us the expertise to start to venture into real estate. Before I answer your question, I just want to give my response to the earlier panel. I feel it's really incumbent upon me to say that it's really important, Kate [Levin], that you make sure that people know that there is an Arts and Business Council. I'm a former board member and they do match businesses professionals with arts groups who have specific needs.

That said, and with no disrespect to the Arts and Business Council, I feel that the arts are an organization that could teach a lot to business. And I know I sound arrogant when I say that, but you know what? No matter how small my theatres are –and I have theatres whose annual budgets are less than \$10,000 a year who are truly hungry and have survival jobs in law firms, working as proofreaders, waiters—the curtain goes up at eight o'clock, no matter what. We do not have problems with overcompensation, we do not have problems like Enron, we do not have problems with over-budgeting. We are not-for-profit, not because we want to lose money, but because we want to invest back in ourselves. When Bill mentioned a fund, it was interesting to me that Barry Diller's response was “what do I get back?” Because he was thinking as a venture capitalist. I was about to say: “think of it as a VC fund,” and then I thought “shut up Ginny, because you're going to get into bigger trouble.” We're thinking of a fund where what he gets back is the common good.

And the saddest thing about what's happening to our community right now is that there's a generation of people who are gone. The people who created Carnegie Hall, the people who are on the boards of some of the major institutions believed in giving back, not in taking. It wasn't: “I'm on the board because I want to make a connection to...” And I'm preaching to the choir and they're all my friends. But, truly, you know, I was also frustrated when Mr. Lundgren said “we have these programs where we tell our people to go into the schools.” Well, that's wonderful. And I was also frustrated with: “we'd like to teach business skills,” because I really get frustrated, because I don't even have an MBA but I've managed to negotiate real estate deals, I've managed to get funding for a lot of projects that I knew nothing about. And maybe the reason I did it was because if I was really smart I wouldn't have done it. You know, there is a real gift to being naïve and thinking, “yes, I *can* do this.” And then you learn as you go, and, of course, I've been blessed by a wonderful board of directors that is blessedly two-thirds theatre people and one third people from the private sector. And the private sector people want to sit next to Jim Houghton, and Todd Haines and Neil Pepe, and Linda Herring and Alvan Colón Lespier, because of what they do. They want to sit next to Chiori Miyagawa because she's a playwright. That's what's exciting.

Now, do my clients hit no? All the time. And as you said, no is not a part of their vocabulary. You have a woman sitting out there in the audience, Kristin Marting, who made the impossible happen. She saw a space, and it was going to be three theatres that were going to take over the space, and they had this wonderful business model. And now, she is the only person from her

theatre company, the other two theatre companies left. And she is the lone person that has created this space that has brought in hundreds of artists, and she just got money to buy her space and create a condo. I will guarantee you that when Christie graduated from NYU's School of the Arts she knew nothing about real estate, she didn't know what a certain kind of loan was, she didn't know about lost space, she didn't know about actual space, actual square footage, usable square footage, all the kinds of things she's had to know about. She just wanted a place to put her shows on. And she did it. And I have four hundred members like that, that make me so proud, because they don't take no for an answer, and that's why this city is wonderful. And it's not just major institutions. I hate that word, unless we think of "major" as vision, then it encompasses everyone. Because Kristin's vision is as big as Bernie Gersten's vision, which is as big as Eduardo Machado's vision at Intar, which is as big as Woody King's vision. They all have big visions, and it's just a matter of how to make it happen.

**John Sexton:** So Glenn, what is it that resonates for you out of this, and what are the kinds of things that cause you to wake up at night, because I know there are things that cause you to wake up at night that are related to MoMA, because we want to chart the large agenda here –

**Glenn D. Lowry, Director, The Museum of Modern Art:** Well, I have enough to worry about that I used to have a full head of hair when I started working here. Well, let me say, first of all that I, like many here, want to salute the mayor and Kate and an administration that I really think has taken seriously what's involved in keeping culture at the center of this city. But, let me get at the answer to that question by asking all of you: how many here believe that New York is still the cultural capital of this country, if not the world? [Most hands in the room are raised.] Well, I've got news for you. Los Angeles, Chicago, believe it or not I was in Philadelphia yesterday, Berlin, Paris, London, Shanghai, Beijing, Tokyo all think you're nuts.

So what keeps me up at night is a simple recognition that what makes this institution, at a micro-level, work is the fact that the visual arts community still believes that they are better off, the practicing artists, being in New York than anywhere else. They're willing to stake their lives and their careers on being here. They're willing to give up a great deal of comfort – financial, emotional, maybe psychological – to be here. But there are other cities out there that are incredibly hungry for those artists, and the complexion of the visual arts community in this city has shifted. It is now a real mosaic of the world. The artists that make New York go come from Latin America, they come from Asia, they come from Canada, they come from Africa, they come from every part of the world, and they'll be just as at home in Shanghai as they are in New York, if that becomes a more attractive city for their practice. So what keeps me up at night is the recognition that unless we can ensure that this remains a vital city for artists, and in my case, visual artists, we're going to lose the lifeblood that has created this institution and made it what it is.

If you read this report and you look at London as a model, it's very clear. London took on, in the early 1990s, on behalf of Britain, the idea of Cool Britannia: let's make London the showcase for the millennium. And by using the lottery and investing billions of dollars in capital projects, they were able to actually create the impression that London's the hot place to be. Well, here's the little flaw in the London argument that really keeps me up at night in New York. It's very easy to invest capital dollars, and this city, New York, has been, I think, unbelievably generous as an

administration and as a city, for now several administrations in investing in the infrastructure, the beautiful building we're sitting in. But imagine if the same amount of money was being invested in programming. That's what matters. Let me be very clear, that's the London flaw. All of those organizations and all those buildings that were created as part of the millennium drive, if you go into them today, they're shabby. They're struggling to put programs on, they're struggling to keep up so what do they do? They create "friends of" in the United States and they come poaching here. Now, I am a very competitive guy. I will admit it. I don't like that. And I'm actually willing to go to London to try and poach on their turf. But you know what? There's nothing there to poach. It's all over here.

So how do I feel about this? I feel very strongly that we have got to, as a civic entity, at the government level and at the private sector level, find a way to truly ratchet up programming support. We can take a risk on our infrastructure having to struggle, because in the end, the beautiful buildings, small or large, don't matter unless we are putting on the most important programs in the world. And that costs money and it has to take over as a driving force. I don't want to in any way denigrate the incredible support there is on the capital side. But it's got to be an investment on the programming side, so that Bill and his dancers can take the risks they have to take, so that the artists who actually create the extraordinary works in this institution can take the risks they have to take in this city, and so that the great institutions and the small institutions in this city have the funding base so that they can go out and put together events and programs that are outstanding. And it's not good enough, in my opinion, to simply say: we all struggle to balance the budget and somehow, miraculously, we cut a little here, we nip a little there and we pull it off. Well, that is survival, that is not operating at the highest level we can all operate at. So, I guess what keeps me up at night is the recognition that the competition is truly fierce out there among cities, and the civic pride that goes with it, and the fact that culture becomes a symbol of civic prowess and the recognition that we all – whether it's London or New York or Beijing or Berlin – have an Achilles heel and that is: finding the basis for the operating support that we all need.

**John Sexton:** So, Glenn has set up perfectly a next question, and that reminds me to remind you to write your questions on cards and pass them, in if you want to ask them some questions. But in a minute I'm going to ask any of the panelists who wishes to either agree or disagree with Glenn about London as a model but more importantly: what are the models out there that any cities are doing, or anyone is doing, that we should emulate as concrete take-aways for this group. But before I get to that, Mary Ann, you're perfectly situated to comment on something that Virginia said: you are a great lover and patron of the arts and you're also one of the best-connected people in this city. Are there Carnegies out there? Is there an appreciation among the people that you deal with, such that if we begin to get very vocal, collectively, as a team about this case, that people will step forward to support the program the way Glenn says?

**Mary Ann Tighe, CEO of the New York Tri-State Region, CB Richard Ellis:** I'm struck by the comments here and Glenn's comment about American Friends of the Tate Modern, etc. I continue to believe we are the center of the creative universe. I think of a young dancer I know in the New York City Ballet who, before he goes out on stage every night, he says to himself: "it's game day at the center of the universe." I mean, that's how he kind of motivates himself to get out there and perform. I think that we're strong because, first of all, the talent is here. At the end

of the day, talent is the thing that is the separator – in any business, by the way – that’s your competitive edge. If you’ve got the talent, everything else comes together and, by the way, that’s true not only in creative talent, but it’s true in administrative talent as well, which I think New York has extraordinary art administrators.

I think the second thing is, we are so accepting. Somebody told me the other day, I think it’s 88 languages that are spoken in the city. And having visited Beijing and Shanghai recently, and being overwhelmed – talk about being capital projects, about what’s going on – Mandarin and English are spoken in the city. And I wouldn’t really want to be an artist there today. Here, there is the plasticity of the city itself, the very fact that we are a city. And, you know, part of this is not thinking of Manhattan. It’s thinking of the city. One of the things that this administration has done extraordinarily well – and I think it’s because of [the Department of] City Planning, Amanda’s here, Amanda Burden – for the first time in a long time, at the level of the mayor’s office, people are thinking about the city in the larger sense. And there are opportunities throughout the city, and the city in all of its different parts, reinvents itself.

To get to the question of money, it’s here. And it takes a lot of different forms. Is there somebody who’s going to buy a building and give it? I was thinking, when I was thinking about this panel, I was thinking of the story in the ‘80s of Cora Cahan speaking to Kitty Hart about needing space for the Elliot Feld [ballet] company and her getting Larry Wein to buy 890 Broadway, which was in a heated competition, I remember Steve Green was trying to buy it, and Larry Wein took it away at what we all thought was an amazing price of \$15 million. And, you know, it became the home of ABT as well as Feld and the school. And how often we’ve seen that happen. But it happens at a number of different levels. It isn’t just Larry Wein writing the check. I can give you another example.

And, I must tell you, the city sets the agenda in so many ways. I look at the New 42<sup>nd</sup> Street. The New 42<sup>nd</sup> Street exists today because Rebecca Robertson and Carl Weisbrod had the vision that when all these giant towers went up, a tiny, a few cents – I think it’s like ten cents today; it used to be eight cents, but I guess ten now – per square foot from every corporation goes into a fund that funds the New 42<sup>nd</sup> Street. The rehearsal building exists because of this. The city sets the agenda. And I can tell you that there are so many ways in which it can direct private sector money into supporting not-for-profits of all kinds, as well as reaching out, as it did with the school system, for substantial grants for people. And I don’t mean to say that we rely only on the city. But I think there’s so much that the city can do to make the overall environment supportive, not only programmatically but in terms of the actual infrastructure that you do need.

And, by the way, there’s one other thing, if we get to it. The city also can do a lot to remove barriers. It’s hard to be a creative anything in New York because you need column-free space. You need – this is my favorite thing – loading and unloading. Oh my heaven. Have you ever seen what people’s tickets look like? They’ve gotten tickets because they’re moving stuff in and out. If you could get rid of all those tickets that people are paying for being able to move their scenery in and out, or their art in and out – but there are things that can be done that the city can make it easier for people to do what they want. But at the end of the day, what they have to do is make an environment where the sense of opportunity exists, people can find a place to live – that’s a whole other discussion – and where, in fact, there’s tolerance for all these different

things, and I think the city is well-positioned for all of that and I don't think we've had an administration as supportive in a very long time.

**John Sexton:** So, who on the panel has heard of other places that are doing things well that we should be thinking about to do here?

**Bill T. Jones:** I called some acquaintances I have at the National Center for Dance in France and they sent me a very interesting, copious, 95 pages. But I won't – my friend Bjorn Amelan translated it. Once again, this is a story of an incredibly Socialist government, this is a ministry that has done this. But I'm trying to imagine that five, ten years down the road, we, in our center of the universe here have come up with a means of doing what I'm seeing here for dance. Let think of it that way, not that I'm talking about the French government. But first: the national French budget allocated by its ministry of culture to dance in 2005 is 107.5 million euros or \$130.5 million. National choreographic centers, currently nineteen regional fully funded rehearsal and performance spaces, where choreographers are appointed to house their companies, create and present new work. 2005 budget – 13 million euros or \$15.8 million. Choreographic development centers, six of them, currently regional centers offering studio space made available for the creation of choreographies by guests or local artists. Grant programs toward studio rental by local and regional companies: opera ballet companies 360 dancers in each. In 2005, 224 local French companies, other than those listed above, benefited from grants totaling 6.11 million.

Now where is this money going to come from for us? A grant program to help the encounter of dance with new technologies, between 2002 and 2004, 51 choreographic projects benefited from grants amounting to \$560,000. Choreographic protection: Choreographies are registered and performed as rights that are perceived by the SACD, similar to our ASCAP in this country, as a form of royalty based on ticket sales. These royalties are paid to choreographers.

Governmentally-subsidized international touring of French companies artists, titled France Moves. The radiance of French culture is seen as a public relations effort with an economic multiplier effect. Governmentally- subsidized programs for dance presenting organizations stages a specific program to help theatres with their presentation and promotion of dance. Education, very important, at a national level and through a network of teaching institutions, a coordinated effort is done to service aspiring dancers, some of the measures for professional dance students are career opportunity training, how to transit from a student to a professional in an advance field, career transition guidance – from the early stage of a dancers training to recognize and prepare future dancers to face the short lifespan of their career. A series of a concerted measures to facilitate dance as a hobby, as a hobby. Eleven percent of the French public claim to have practiced dance in their lives, 42% of these through classic, modern, or jazz and 58 through other forms of dance. It sounds silly, but could you imagine what it would mean if the public actually understood what we're trying to do because they have tried it themselves?

**John Sexton:** Okay, so Bill, with respect, I think about this in the context of education. And you look at the large economic trends in this country, and we could all wish for the kind of funding that's there. But you could have the most supportive city government in the world, and you've got coming ahead of us in the agenda: defense, security, social security, Medicare, K-12 education. All those things are lined up –

**Bill T. Jones:** Aren't we supposed to be changing our language on this panel today? It's not about the government, the government is doing a great job, but aren't we trying to think of another way?

**John Sexton:** That's right.

**Bill T. Jones:** Didn't you just say the money is here?

**Mary Ann Tighe:** Yes

**Bill T. Jones:** Maybe you should say that several times. The money is here.

**Mary Ann Tighe:** Let me ask you. I'm going to ask where John's going in a slightly different way to you, Bill. Wasn't Mark Morris over in France for a while? Was it France or was it Belgium?

**Bill T. Jones:** Belgium.

**Mary Ann Tighe:** And where they supported his company for a period of time under the largesse of this government? How come he's back in Brooklyn, is my query to you?

**Bill T. Jones:** My understanding is that Mark's aesthetic, and I believe, probably nationalistic forces, made it very difficult for him to be there – he was the state-sponsored theatre, had an American choreographer with a particular aesthetic at a time when the dancers in the area were doing a different thing. Now, that's how I understood it.

**John Sexton:** The gist of where I'm trying to get us to go is this: Virginia said before, "where are the Carnegies?" Mary Ann says that there's money here. You're right, there's all kinds of money here. How do we get the folks that have that money to understand the critical importance? How do we move this to the center?

**Bill T. Jones:** What was that first panel we just had today? Who were the people in that panel today?

**John Sexton:** Right. How do we get them to understand that the soul and the future of the city is at stake here? What are the ideas to do that, so that the money flows, in the way that you're describing it flowing? I don't want to jump to the money flowing.

**Glenn D. Lowry:** Look, I think on one level, the issue is fairly straightforward. Mary Ann is absolutely right. When you look at the wealth in this city, both at the corporate and the individual level, it's enormous. And indeed, relative to most other cities, a tremendous amount comes into the community. However it doesn't come in in a coordinated way. It doesn't even necessarily come in in a thoughtful way. It comes in in an episodic and sporadic way. So some institutions, like ours, are pretty good at going after that money because we still have a Rockefeller. But that's not there forever. And I am acutely aware of the fact that the next generation does not look

at philanthropy in the same way. So, there is a role for government here, it seems to me, especially with the business sector. To start to say: this is the amount of funding – make up a number – that's going to have to come into this community, to sustain this community, and we're going to have to change the way you and we think about how to leverage that money into the community. Because it is there. But the \$15 million to get a building to create a dance complex, for instance, isn't the only part of the answer, it's just the beginning of the answer.

So I think we have to find a way to approach business, first and foremost, and talk about funding on a different kind of basis. Now, there are issues with public corporations, so you know what? We have enough private corporations in this city not to even worry about public corporations and how they have to give out money based on shareholder value. In other words, make it easy. Stick with the private money in the city. And there's still a tremendous amount of it, but there has to be a much more coordinated approach. And that's what's happening, by the way, I know everybody's going to laugh, that's what's happening in Philadelphia. That's what's happening in Los Angeles, and, by the way, in bankrupt Berlin, that's what's happening. Because they don't have enough money in the government to make it work, so they've got to go to the private sector and say: how are you going to work with us in a coordinated way?, and I think when I look at the piece that's missing here, it's not that we don't have councils in the New York City Partnership and the Arts and Business Council. They're all there. But they're not, they don't necessarily have the tools to make it effective for business to give money in a coordinated way to those places that absolutely need it.

**Virginia Loulodes:** Can I just jump in? I really – I want to build on Glenn's idea and just say that I think this is the mayor who could really create, with the leadership of Kate, who's done a fabulous job, a Marshall Plan for this. As Mary Ann said, the money is here. Let me tell you who's not getting the money: most of my members, myself included. You know, the major institutions have grown in the last ten years, and my theatres, and I love them dearly, so I don't mean to be making the comparison of rich and poor or good or bad. But when I first started at ART New York, the major theatres were \$5 million. They're now \$22 million. The same theatres that were \$5,000 are \$5,000. The mid-size theatres have now grown to the point that they're producing most of the straight plays being done in New York City. The original straight plays, the plays that used to be done on Broadway, 30 years ago, used to be done at the major resident theatres in New York 15 years ago are now being done at primary stages, the Vineyard Theatre, Manhattan Class Company, etc. Their budgets have not grown at the pace that they need to grow. And I ask for a Marshall Plan where the Mayor could bring together business leaders, not just the people who are on this panel, small business leaders. There's a lot of wealthy small business people. I happen to be Greek and most of my people are in furs, food and construction. And I want to get my hands on that money. I'm trying to get my father to give my money. And it's not easy.

**Glenn D. Lowry:** I've been trying for that for a long time. Your father and my father.

**Virginia Loulodes:** No, he came to me with this idea that I should create a Greek theatre company because there are a lot of rich Greeks and I wrote back and said: I'm not allowed by my bylaws to create a Greek theatre company, but you could give a gift and you could challenge your friends. And I know he thinks that gift is going to be a hundred dollars, but I'm not

accepting that from him. But there are people in the city who do have money. And if there was a way we could do a match.com or have a dinner or mixer or blind date or whatever, for us to meet them. Dinner parties are a wonderful idea; the mayor's been doing them for some. I mean, the mayor doesn't have enough nights in the week to dinner parties for my 400 theatres and the 1500 other arts organizations, but there should be a major plan where we say: look, these organizations are our past, our present and our future. You must invest in them. You can't be a foreign corporation in New York City anymore and not give to the arts. It's a sin. You can't be getting tax breaks to stay in New York City instead of going to New Jersey and not give to the arts. No more. No way. That's what I would suggest.

**John Sexton:** All right, let me turn to a couple of questions from the audience. One is that no one on either panel has addressed the situation of individual artists in the workforce. And are there steps that we can take to make New York City more hospitable for them?

**Bill T. Jones:** Let me just say that I haven't gotten a chance really to thank Kate Levin and DCA and EDC, they are really helping us – we're on the brink now of getting our permanent home. Now why do I mention that? This will be a home that's good for my company, it's true, but that's not all it's about. I'm envisioning it as a laboratory, a place where people from many disciplines, many different places in the world and the city can come in at affordable rates and actually share what they do. This space, I do hope, that there is in this town, let's say – we're going to be on 125<sup>th</sup> Street, there's a young genius choreographer up there now, I know. They may be being born today. I would like them to make their first work there. I would like to even be able to offer them a grant to make that work. This is going to take a while as I stabilize my own company, but that's my vision of what my Harlem home is going to be. It should be a place where individual artists can work. And I'm not the only one. I think that a lot of people are thinking this way.

**Fernando Espuelas:** There was a project which I began to develop, which is just a concept at this point, where you connect, essentially, all these different needs of the city. I think that as much as government help is important, I think in the end what the city is about is the individuals who make a difference and the people who come here to change their own lives and, therefore, the lives of the community. But one of the ideas that, at some point when I have some free time I would like to pursue, is the idea of connecting both a retail kind of environment where, for example – and I'm thinking specifically relative to Latin culture – where you're able to sample Latin dance film, music, connect that with almost a second layer of entrepreneurial activity. You know, one of the things that this mayor's commission that I mentioned earlier wanted to do was foment small companies. Now small companies, almost by definition, are just very challenged by New York whether it's rent, whether its infrastructure, whether it's the taxes and so forth and so on.

So, essentially create an incubator model. I think it's been a long time since we actually talked about that, kind of a duplex model, where on the first floor you have this retail environment, art environment that pays the rent, that drives traffic, that connects potentially even with a hotel, a Latin experience on 125<sup>th</sup> street or wherever. And then above it, a place where companies, where an entrepreneur, where a guy or a woman with an idea can go and essentially take advantage of collective services, whether it's back office services, accounting services, and so forth. And have

those companies, when they break out, essentially contribute part of their upside to feed the artistic endeavor below it. And I think models like that, that take advantage both of government infrastructure but are primarily driven by either artists or entrepreneurs who want to create a shift in society and want to create value – whatever that means for them – is a model that has not been tried yet and I think could be a very interesting mechanism.

**John Sexton:** So, I want to combine Fernando’s point with points that are brought up on two or three of the cards that have been sent up as a proposition to toss out to the panel to consider. Actually one of the questions talked about creating the incubator model that you talked about. Two or three of the other questioners talk about the need for artists, both individual artists and artists in companies or other enterprises to have basic needs met. One card starts: “I was never a fan of artist housing, but as the city rental market goes through the roof, what else can we do?” There’s housing, another card talks about medical care. Are there collective action notions where we could tie together zones of activity that would address these basic needs? Two of the cards say, and then I’ll stop and let you folks comment as we close: how do we keep the talent here that comes to New York, when they run into these basic obstacles in particular? Is one way to do it thinking of a kind of layered entity that could develop –

**Virginia Loulodes:** I think incentivization is key and I think that when Katherine Oliver gave incentives for films to come to New York, it worked. And I think if we could give, for example, free Metrocards to any employee of any not-for-profit who earns under \$20,000 a year, that would be wonderful, because I think of the luxury that I have of buying a monthly Metrocard and how if my employees didn’t get Transit Check, they might not be able to do it. That I get to save money by buying a bigger Metrocard, but if you’re buying tokens everyday because that’s all you can afford, you’re not going to benefit from it. That was one thing. Obviously housing, but not just for artists, I would love to see more affordable housing period. Artists are the ones who created the neighborhood of DUMBO. They are now creating a neighborhood in Bushwick. Williamsburg has become so out of – there was literally a photo in the paper of a broken down house in Williamsburg that was going for a million dollars and had people around the block. So now it’s Bushwick, and after Bushwick, it’s going to be East New York, and before you know it it’s going to be Long Island. And my hometown of Bridgeport, Connecticut is doing this with artist housing.

Health insurance, I know the Actor’s Fund provides health insurance for more than actors, it’s for anyone who works in theatre, we’re going to partner with them to advertise this more, but if there was a way that there could be group purchased health insurance through the city for anyone in a not-for profit. And it’s really hard to do group health plans now, but if there was a way we could do that so that we could bring the price down, because what I’ve learned through my real estate is that there’s economies of scale. It was easier for me to get a 20-year lease and then sublease it to people than it was to have each of those people go originally to Jeff Gural [a broker with Newmark & Co.] and try to get the same space. Similarly, if all of us could get the same insurer. Yes, he’s our guy, Jeff Gural. But if all of us could bulk purchase health insurance, housing. What else do we want, Bill?

**Bill T. Jones:** Well, I think that I would like to see all of this scruffy independent talent that is creating all the time, not all of it works but that’s stuff that people would pay to see, where is the

great idea going to come from? How does New York do something called “New York Presents” where you’re going to take 25, every year, 25 of these young guys and you’re going to tour them around the world.

**Mary Ann Tighe:** Like the Whitney Biennial for performing artists.

**Bill T. Jones:** Yeah, take them around the world. And then they have this stamp on them and they’re young and emerging. How do you build that kind of confidence in the creative sector?

**Mary Ann Tighe:** I think the housing issue could be incredibly powerful, and by the way, not just for the arts, but for education, for the sciences here. There is such a need to be able to give people housing in this city and it’s doable. I’m thinking of a project that’s going on right now in Brooklyn.

**John Sexton:** There are a lot of people that want to know how to do it, why don’t you just tell us in two sentences. Or else we’ll all email you.

**Mary Ann Tighe:** There are a wide variety of ways to do it, ways that haven’t even been invented yet. One in Brooklyn I’m going to describe – the city had a block, I guess it had condemned the block, this is about a mile from where the Atlantic Yards site is, where the Atlantic Terminal is. And they put it out to bid, and they said it has to have a community component attached to it. And Francis Greenberger [of Time Equities real estate company], I don’t know if you know this guy, and a woman named Abby Hamlin, who’s a real estate developer and former modern dancer, by the way, came up with the idea of this beautiful town house development and then they partnered with the Screen Actor’s Guild to make their retirement home on the site. You should see what this building is going to look like. I mean, it’s an unbelievable opportunity.

There are so many ways to do it. The way I would say to the city, though, is not to make it punitive. By which I mean don’t say to a developer: “unless you give us 20 percent housing for artists, scientists, whatever, you can’t do this.” Rather, I think the city should say: “If you build this amount of subsidized housing, here’s what your real estate taxes are going to look like over the next 25 years.” That’s a carrot, and, boy, will you watch; there’s nothing more creative in the business sector in New York, in my view, than developers. You can send out the same thing, the same map, the same site to twenty of them and you’ll get twenty entirely different ideas back better than anything you could come up with. But if you hold out a carrot to them that says “you’ll do better by doing good for the city,” they’ll just leap to that carrot just like that. So it’s doable.

**Glenn Lowry:** Just to add a kind of footnote to that, this administration, rightly, has spent a lot of time thinking about the so-called outer boroughs, what I think of as the centers of New York. And that’s where artists have gone, right? They’ve been pushed out of Manhattan, so they’ve intelligently moved to other places. And they’re now getting pushed out of those other places, as we’ve just heard. I think there has to be a strategy that keeps them there, that finds a way to keep those communities vibrant in Long Island City, in Brooklyn, in Staten Island, wherever they go, because when they get, ultimately as they are now doing, to Hoboken or New Jersey or out to

Connecticut, we will have lost this extraordinarily vibrant, talented, energetic pool. Forget what they do for all of our institutions and for our theatres. Think about what they do for transforming those communities, from derelict to hot.

And I just think, somewhere along the line, there are incentives that can be done that leverage developers into finding ways to keep or to even attract artists as part of their developments. But we actually have to start thinking about where artists have already gone, and develop a strategy that enables them to stay there rather than having to become migrants again and again and again. Because as they migrate, what they're doing is just moving further and further away. And what this city has that is so exciting, is the fact that it's many different cities put together in one, and to the degree that we can both think and realize a city that doesn't worry about crossing the river and going to Brooklyn or to Queens, we will have really enriched the experience of being in New York. I mean, just think about Paris. Does anybody worry about going between the Left Bank and the Right Bank?

**Mary Ann Tighe:** Just one more point on this. The other thing that I've observed is you get a developer to do something that's a community use by just nature. They feel they're connected to that use. And they become sort of ongoing support for it because it's theirs in this very interesting way. I've watched it on 42<sup>nd</sup> Street, the people who you'd think would be unhappy because they have to keep paying this money, instead they feel they own these things and I mean it in the best sense, they feel like they want to make sure everything is in good shape. But keeping people, let me also say, we don't have to invent institutions to do this. You know, Phipps Houses is a wonderful institution that knows how to manage not-for-profits and knows how to marshal healthcare and all kinds of other services around the housing issue. If they were to build a separate branch that would deal with issues that have to do with the creative community that we're discussing here; you don't have to reinvent that. There are people already in place to be able to work on these things

**John Sexton:** We started with Bill, we're going to give Bill the last word.

**Bill T. Jones:** I was just going to say: is it possible, this idea of the choreographic centers what I would like to have that I call the research center and laboratory for many different media, is it possible that the outer boroughs could have satellites? How do you get people to go see a show even if it's a Broadway show, to go see it out in the farthest regions of the boroughs? How do you get a first-rate theatre and first-rate administration to be in these places so that the neighborhood people feel that they're where the action is? I know there's the talent and people would love to be working there, and then we need the talent administratively to build the bridges to make this happen. Is this something that developers and the city – I know the artists are ready, we're ready to do it, but can we get a little help in this regard.

Can I read one more thing, please, if I get the last word? This is the French. They have a lot of problems, but I love them when they get highfalutin like this. Replace dance here with anything about creativity: [Reading from French document] "Dance as other art forms shares in the shaping of one's personality, develops the capacity of one's concentration, and a relationship between the self and the other. The particular connection to one's body that is established through dance allows children and adolescents in search of language and relations to build strongly

expressive integrated experiences that are rich in exchanges. This results in their coming across to their peer group or to adults in a positive affirming manner. Thus, dance prepares the young to a bold and active role in a complex life space that is in constant mutation. Exposure to dance or art at a young age promises the shaping of youth as future audiences familiarizing themselves with the specificities and diversities of any art form.”

**John Sexton:** So, ladies and gentlemen, where that brings us back to is my area again, which is, this is this doctorate of religion at work. What is at stake here, in short, is not only the city’s soul but, apropos of Bill’s closing reading, our own souls. This is serious stuff, and that’s why we should thank the City and the Foundation and the Center and the Partnership for putting this together, and would you please join me in thanking these specific panelists.

*Discussion: Where Do We Go From Here?*

- **Daniel L. Doctoroff**, Deputy Mayor, Economic Development & Rebuilding, The City of New York
- **Kate D. Levin**, Commissioner, Department of Cultural Affairs, The City of New York
- **Kathryn S. Wylde**, President & CEO, Partnership for New York City

**Kathryn S. Wylde, Partnership for New York City:** I’m going to make this quick. We want to not let everyone evaporate before we have a wrap up and talk about next steps, and we’re very fortunate that Deputy Mayor Dan Doctoroff has joined us for this, because really, what we’re looking to do here—and I think all of you appreciate it—that we’ve got a great diversity of people in the room, who I don’t think have been pulled together before, but that also makes extremely challenging because we’ve got several different strands and we’ve got an attempting to touch the surface of this great diverse group of interests that represent the creative core of New York.

We have tread very lightly in many areas and not gotten into depth and not had opportunities. For example, I know there was some frustration among folks who are actually working on arts in education in the schools and that there are program activities there that weren’t acknowledged. There are many other activities – the great health insurance freelance program that Sarah Horowitz has put together, which is dealing with the health needs of the independent organizations. So, there’s a lot that hasn’t been covered. But what we’re trying to do now is kind of wrap up in terms of a conversation, of these two threads of how the cultural interests of the city – the creative and artistic interests of the city and the economic development interests of the city – can somehow be integrated and perhaps be more effective. And there are models around the world that have been lightly touched on. Barry Diller talked earlier about the concern of whether we were losing our role as the world capital of communications, losing our edge in that area, and then started talking about the areas that are really out front in the digital innovative economy like South Korea. So, competitors that we don’t even think of are out there. And Dan is fond of saying that New York, if we look around the world – as he’s traveled around the world – that it’s now become possible and is in fact happening that lots of places are copying New York and what was unique about us. And I think that was a theme throughout the conversations.

And so, I think that there's great confidence that we're still the center of the greatest talent and the greatest institutions in the world. But that a new generation of activity, and some of our national policies that – whether it has to do with visas or immigration – that could in fact have a counterproductive effort on our efforts in New York to be a window and a door to America, and to be as diverse and exciting and as loaded with top talent as we have been. So that was kind of the themes of the conversations. They went across various areas. I wanted to ask Dan to respond a little bit in terms of what the city is doing, and particularly there was a lot of enthusiasm, I think, that people heard about what's happening in the five boroughs, and the fact that this is an administration that has paid attention to the five boroughs, and there's a lot of excitement going on. And we have the five boroughs represented very well at this conference. So, if you want to just say a few words then take some questions and have people make some comments from the audience. And Judith and Kate may have some response as well. But I think before we close to have a few next steps and a few comments from all of you about those next steps would be useful as well. So, Dan?

**Daniel L. Doctoroff, The City of New York:** Thank you very much, Kathy, and it's great to be here. I know the Mayor was happy to be here, as well, this morning. I will just speak very briefly and then we can open it up. Look, I think it's very clear that the foundation of a creative city is creative people and our job, as a city, all of our jobs, are to attract and retain the most creative people we possibly can. And the sad fact is that as a city, for too long, we have lost far too many people. Just to give you a statistic, one that I'm not sure is even public – our estimates are that in the first four years, from 2000 to 2004, in this city, 894,000 people left the city. Now, think about that – that's almost 230,000 people a year left the city. When you actually look at the characteristics of those people, they tend to be more highly educated than the average New Yorker.

And so what it means is we're constantly having to replenish our supply of people who power this city, particularly creative people who power this city. Now what's the answer to that? Well, if you ask people why they left, it is sort of the very fundamental things that you would expect: housing is too expensive, education – when their kids get to be a little bit older, they can't afford to send them to private schools and the public schools aren't good enough. It's the very fundamental issue that we have to wrestle with as a city in order to, I think, attract and retain the creative people that make us the single most creative city in the world. That is where we are focusing most of our efforts, in creating more and more opportunity for people to live in a place where they can continue to live. And that is true from a housing perspective.

You know, I really encourage everyone, and I know the conversation did center on this before, to go out and walk around the neighborhoods of this city. The thing that I like to do on the weekend is, I have the City Planning department, under the leadership of Amanda Burden – she's done such an incredible job, and she's here – give me a bike map. Basically, I'll just go on a fifty-mile bike ride, one borough at a time, on a Saturday, early Saturday morning I'll start and maybe ride for five hours or so through the city.

And in every conceivable neighborhood, neighborhoods that I will guarantee the vast majority of people in this room have never even heard of, and, candidly, I hadn't either before I started in

this job. And you cannot imagine the level of vitality and energy and construction that is taking place in virtually every neighborhood, including neighborhoods that had been given up for the dead. Now what does that mean? That means that the opportunities for people to live here more inexpensively are multiplying, and they're multiplying in places where there's great access to Manhattan, parts of Manhattan that people wouldn't have lived in before, and that just creates greater opportunity for people to stay.

That has to be joined by an improving educational system, and I think there is no question that our educational system is improving. We have a long way to go. You do not reverse the mistakes of forty years in four. But we are on what I believe will be, by the end of the eight years of the Bloomberg administration, an irreversible course. And so, I hate to oversimplify things, and I know there are a lot of other things that we need to talk about and things that we can do better, whether that's funding for programmatic efforts, whether that is much more concentration on workspace and other things, but fundamentally I think our view, to oversimplify things, is: you attract and retain the creative people, you're going to remain the single most creative city in the country, and, indeed, in the world. And that in fact is our goal, because that is what defines New York City. What defines New York City is energy and ingenuity. We're a city of ideas. That is where our past has been made and that is where our future is made, and in many ways almost everything that we do is geared toward ensuring that we remain that single most creative capital in the world.

**Kathryn Wylde:** Are there neighborhoods that you think would be creative hubs for the future, whether it's Lower Manhattan, Governors Island?

**Daniel Doctoroff:** Well, I think in terms of neighborhoods where people are going to live, I don't think it's necessarily Lower Manhattan. Lower Manhattan is just so expensive to build. I think candidly it's more in the boroughs outside of Manhattan, or certainly above 96<sup>th</sup> street in Manhattan, places where you wouldn't even think. I would encourage everybody to go up to the South Bronx. I think the South Bronx, for example, is going to be one of the hottest areas in New York over the next ten years. There's enormous opportunity for rezoning in the South Bronx. We're investing heavily in new attractions, waterfront, parks, and it's so close. You literally can be in Midtown Manhattan in 15 to 20 minutes from the South Bronx and there's a huge, huge potential reservoir of space for housing.

I think the 125<sup>th</sup> street corridor in Manhattan is one of the most exciting opportunities we have to create a culture, entertainment and arts district. We really do see 125<sup>th</sup> Street as the global hub of ethnic-based culture, entertainment and media. And whether that is on the very west side—Columbia's expansion into Manhattanville—in the center with the Apollo Theater, anchoring what I think will be a dramatic expansion of arts and cultural activities, and one thing that, actually, we haven't talked about publicly is we're engaged with the community in a very extensive process in East Harlem of taking a two block plot of land that the city owns, and turning it into a Latino media, education, and cultural hub. And, so, I think what you will see with 125<sup>th</sup> Street is a sort of specialty area for the creative industries.

But, I think you can look around the city. I think, if you go into Brooklyn, obviously everybody knows about Williamsburg. But with the changes in the city, other parts of the city that would've

been thought to be absolutely untouchable are now both relatively affordable and still have good access. And whether that's Bedford-Stuyvesant, I think, increasingly, places like Brownsville, which you never, ever would have thought of before, are becoming accessible. In Queens, all of Queens. Look at Queens – go to Flushing on a Saturday morning. It is so exciting to be out there. The cultural institutions in Long Island City; there's just a boom in housing and other cultural activity in Long Island City. Literally, there is not a neighborhood in this city anymore that is beyond reach. And, when you expand the pool of available neighborhoods and housing opportunities, when you do it in this city, we have such a greater opportunity to retain and attract the kinds of people that we're all talking about. It's the backbone of not just a creative city, but our city as a whole. It's all over.

**Kathryn Wylde:** Thanks. Kate?

**Kate D. Levin, The City of New York:** I just wanted to sort of reflect back a couple of things that were said in the first two panels, and with due respect to Bill, because I sort of am a softheaded liberal, wanted to try and cast a slightly different light on something that Barry Diller said, about the notion that he needed some sense of return. Because what strikes me, particularly when I work with my colleagues in government, who are responsible for stewarding tax levy money, and creating a return so that we can pay for city services that people expect, and that is that, I think, a key difference between nonprofit and for-profit culture is the timeframe of the payoff. Nonprofit culture takes a whole lot longer. The payoff, I would argue, is profoundly richer, but I do think that part of the issue to grapple with here – and, again it's something that's implicit in a lot of what the *Creative New York* report is talking about, in putting creative for-profit and nonprofit creative industries together as a sector—is this business of: ultimately we're all about an investment and wanting a return. And if the return is doing good for society, or the return is increased real estate values, those both have to be respected as notions of return.

And one thing I would like to say, particularly to this group of stakeholders, because there is such a diversity of interests here, is: part of what I think we will look to, to do the kinds of initiatives that have been mentioned here, and to create and sustain the kind of excitement that Dan's talking about, is to think slightly differently about investment models, not just in terms of payoff but also in terms of what it is that we invest in. Certainly in nonprofit culture, there's been a wave of philanthropy, it's not just moving from community development to marketing, but it's looking at a way of positioning the donor so that he or she is understood to be a philanthropist with naming opportunities, with certain other kinds of things. In fact, what I've heard a lot today is the real need – and it's a need that a lot of organizations and a lot of advocates have been pressing for for decades – for an investment in infrastructure. On the surface of it, a lot less sexy; ultimately, absolutely essential, and figuring out how to make that the next big thing that people are willing to try and invest in, and wait for the payoff, at least on the nonprofit side, I think is a real challenge for everyone.

**Daniel Doctoroff:** Let me give you an example of a neighborhood where I think what you're creating is a truly virtuous cycle, and that's West Chelsea, where four years ago, when we came into office, literally we were one step away from the city tearing down the High Line. And there are a lot of different views about the High Line – from it being a rusting hulk to it being sort of an elevated paradise. We decided that investing in a park in that community was a great

investment. Now, how did we define investment? We defined it in terms of creating a stronger community – one in which we thought the High Line itself would be a spur to economic development, which would ultimately generate tax revenues, which, in effect, would enable us to invest in the kinds of institutions that simply reinforce this notion of it as this great, sort of artistic, cultural and residential community. So, in fact, that’s exactly what’s happened. We’re spending \$150 million to create this park. We have, now, about 20 major development projects underway along the High Line or in the High Line district, a number of which are now calling themselves the “High Line Building” or the “High Line something, something.”

And, in fact, what we’re also doing at the same time is: we’re beginning to invest in cultural institutions, like Dia. Because, again, we think that having them there, again, enhances the community. So, what you’ve got is: a great investment in the park, which leads to investment in the surrounding area, which generates revenues, which enables us to invest in cultural institutions, which just continues sort of that virtuous circle. And, so, all these things really are related. At the end of the day, to invest in culture, you need to have a healthy economy. But we don’t view this as just pure financial return, we really view it as investment in communities and, in turn, is measured in terms of return to communities, on both a social level, as well as a financial level.

**Kathryn Wyld:** We’re really fortunate in that Dan is in a position now where he’s leading a whole series of city agencies and a strategic planning process that is going to result in the city being able to deliver on multiple fronts in a very quick period of time. So, this is an exciting moment to ask questions. I know a number of you will have questions. I hope you’ll keep them short, but I’m going to take the risk of having you not write them down but asking you to state them. But, we have this opportunity so is there anyone, and I know we haven’t mentioned the efforts that BAM is making in Brooklyn, but Harvey, I see you out there, and I can’t resist asking you if you’d like to ask the first question.

**Harvey Leichtenstein (from audience):** No question. We need resources.

**Daniel Doctoroff:** I think, BAM, you think about what we’re trying to do in downtown Brooklyn, and you think about the ramifications city-wide, the investment – we think the BAM cultural district is a lynchpin of a much broader effort to truly turn Brooklyn into one of the world’s great cities, and whether that includes as initiatives that are underway right now, taking Brooklyn Bridge Park, which today is a bunch of abandoned wharfs and warehouses and rotting piers, and turning it into a spectacular mile-and-a-half-long park with one of the great views in the world, or the rezoning of downtown Brooklyn which has enabled us to have more residential and more commercial space, to the BAM LDC to Atlantic Yards, which at its centerpiece will be this spectacular arena designed by Frank Gehry, you have an opportunity to take Brooklyn, which is this treasure that we all know, and turn it, we think, into a worldwide city.

And what does that do? That makes living in a borough other than Manhattan, particularly for people who are in creative fields, much, much more exciting, because it will have right there a lot of the services and the cultural activities that great cities are associated with. And it’s not that Brooklyn doesn’t have them now and look what Harvey did with BAM, but we’re really taking it

to a very different level, and that all goes, in a way, again, to attracting and retaining the kinds of people that we're all talking about here.

**Audience question:** What about the potential to use new market tax credits?

**Daniel Doctoroff:** And with respect to new market tax credits, there's a program we are pursuing – we actually submitted an application in the first round. We didn't get it, we're resubmitting an application I believe, or have. So, we believe that there is a real opportunity there that we are pursuing.

**Audience question:** Can you talk a little bit about the potential to grow cultural tourism as a way of feeding resources into the creative industries in New York? What do you see as the most strategic investments?

**Daniel Doctoroff:** I don't know if everyone heard the question, but sort of: where do you think about investing in what we'll call cultural tourism? Is it in institutions, places, or, is it in, I'll characterize it as marketing. I think it's both, to be perfectly honest. You know, we've spent a lot of time over the last couple of years thinking about how to enhance the number of people who actually come to New York, and spend money here and visit our cultural institutions and other attractions. What we have come to the conclusion is, is that you really have to create the opportunities for people and the things to do here, and that's why something like the High Line or whether it's the expansion of the Javits Center or whether it's investments in cultural institutions all across the city, or whether it is the creation of great places like Governors Island where our standard for picking a winner to the RFP on Governors Island is to do something that you can't find anywhere else in New York and anywhere else in the world. So, it's great places but it's also making people more aware of those places. And we have started that, we have become much creative in the way we sell New York to the world. We've learned how to use events more effectively to tell the story of New York. You know, we didn't host the Republican Convention here in 2004 because we cared about the Republican Party

**Kathryn Wylde:** Well!

**Daniel Doctoroff:** We, of course, love everyone, and that was the point. The point was that everybody can be welcome in New York City, so the notion was: you have, you know, 5,000 people who come from Montana and Arizona and Iowa and other places, 70% of whom had never been to New York. And they're trailed by 15,000 members of the media, from all around the country and all around the world. And if you put on a good show, and they have a great time and they go home and they tell their local newspapers and all their friends what a great time they had and how friendly the police were, and how easy it was to get around. This is true, they did – you can look at the newspaper clippings from around the country after the convention, there's a very direct correlation between providing that unexpected surprise and communicating it, and the fact that last year we had 41 million people in New York City. After 2001, after September 11<sup>th</sup>, the next year, we had 34 million people in the city. The mayor has announced a goal of 50 million people in the city, which makes some people in the city shudder, by 2015, but it's a great thing for the cultural institutions in this city. And we're spending \$15 million more next year on it than we did last year.

**Kathryn Wylde:** The Center for an Urban Future report made a point about, and the Republican Convention is a great model – where you’ve got cultural institutions involved, you’ve got Broadway involved, you’ve got everybody involved in welcoming the Republicans’ five borough event, to New York. And the question was could we do more? What their report suggested was: couldn’t we do more on cross-industry promotions when we’ve got something great going on, whether it’s The Gates or something?

**Daniel Doctoroff:** We do that, we actually, in every single case we do that. The Country Music Awards, another classic example of counter-intuitive programming in the city. And we’re doing the same thing by the way with the Latin Grammy’s which has not been officially announced but, knock on wood, will be here.

**Kathryn Wylde:** Well, maybe there’s an opportunity with this audience, because I think there are groups throughout the city that would love to have their venues and their programming be part of those efforts, and so maybe that’s an opportunity.

**Daniel Doctoroff:** We would love that, we’re learning how to do it, each event, we get better and better at it. You know, we have Fashion Day, we have Culture Day, we have Sports Day. We’re getting more and more sophisticated. We’ve been great at integrating curriculum and the schools into these things. So yes, we want to do that. We believe that by showing everything that New York has to offer, we simply enhance our competitive advantage, and that’s what this is all about. As Kathy kind of quoted me earlier saying: we see ourselves as being in a competitive race with other cities from around the world, many of whom are trying to copy us, whether deliberately, or in some cases, unintentionally. They’re all becoming more diverse and they’re stealing our cultural institutions. There’s a Guggenheim all over the world now. Broadway, you know you can see The Lion King in Amsterdam and you can see it in Manila. We’ve got to stay ahead of the pack. And, ultimately, it’s people that make you stay ahead of the pack but it’s also investing in your institutions, and investing in letting people know that they exist.

**Kate D. Levin:** The one thing that I’d like to add to that, though, as a slightly cautionary note is that we actually have a lot to learn about how to do this, on the most granular level. We’ve been funding a lot of trolleys, in an effort to do cultural tourism in the boroughs, and, with, I think, one exception, they kind of don’t work. Not clear to us why. But, what I do think it comes back to, and this is part of your question, Tim, is that it’s building a better mousetrap. One of the signature programs for tourism that’s not in Manhattan is the Flushing Town Hall Jazz Trail. It’s extraordinary and people come from Germany, from France, from all over the place and go to it, and New Yorkers don’t. So, I think, you know, we have a lot to learn about critical mass and the role that plays in cultural tourism, and, also, frankly, the people who are interested in culture tend to be the people who would never be caught dead behind a tour guide. It’s an interesting dynamic, so as we figure out how to do both these larger kind of events Dan’s describing and make sure that New York is available for tourism 365 days a year to New Yorkers, we kind of have a ways to go.

**Daniel Doctoroff:** We actually did a big study on tourists, and broke it down into different kinds of tourists in the city, focusing on cultural tourists. One of the things that we actually found,

particularly in terms of focusing on non-Manhattan tourism, is people are just afraid to get out of Manhattan. Many of the old perceptions about safety and crime still linger. And what we have found is that the real connective tissue for people is the subway, and demystifying the subway for people is a major, major focus. And I think what you will see, as we begin to think about spending some of this extra money, particularly on much better web presence, interactive presence, is focusing on the experiences people can have, but at its core, kind of the veins, of anything we do, has got to be making people understand that the subway is an experience to be relished, really, and I say this seriously.

**Kathryn Wylde:** It's why I fell in love with New York, the Coney Island D train. I just loved it.

**Daniel Doctoroff:** Well, we have a much better story to tell than the perception that persists.

**Kathryn Wylde:** Maybe before we close for lunch, and I hope we'll have an opportunity for informal conversations throughout that period, but I wanted to ask Judith, because so many of the groups in the conversation earlier had to do with pulling public, and particularly private, corporate and philanthropic resources together in a more efficient way – you know, in the area of education, I think that we've done a good job, the mayor's done a good job and the corporate community and the foundation community came together, and said: we're going to put some priorities in, and we're going to try and coordinate our fundraising, and we're going to try and be more strategic. That's very hard when you go beyond the organized philanthropy community or the larger community. But I wonder, Judith, if you had any thoughts about how that might be approached, because I think rationalizing, there's plenty of money in this town, getting it to the folks who are really investing it in building this creative economy on the nonprofit side probably isn't happening as efficiently as it should now.

**Judith Rodin:** I think that you've heard today from a variety of the panelists, and in this conversation, as well, that the schism between creativity and economics shouldn't exist, and part of the purpose of this meeting was to say that, as Harvey cried out: we need money. And the truth is, we need money and part of the creative economy and the panelists on the first panel are bringing resources, through their businesses, to this economy. We need to create ways, and, I think, the kind of coordination that one has seen, as you said, Kathy, on the educational side could certainly be brought to bear on the creative arts side. We need a collaboration between the public sector and the private sector and the creative sector that really hasn't existed. It isn't about one entity doing all the receiving and the other entity doing all of the giving. There's an enormous amount of leverage and collaboration that creates win-win opportunities for everyone. What I've been struck by in hearing the discussion this morning is that we're not wanting for ideas. There are an extraordinary number of really interesting, really creative ideas about how all of this can be done. Maybe what we're lacking is the collaboration and the coordination, so maybe that's our marching orders going forward.

**Kathryn Wylde:** Well, that was the idea, to start that conversation, and to bring a group of folks who haven't necessarily all been collaborating, together, in the hopes that out of this will come ongoing collaboration. The Center for an Urban Future has produced a report that's a kind of a background piece for this. I want to thank them for giving us the excuse to get this interesting,

diverse group together, thank Dan for being here, Judith for hosting and Kate for all that she does every day. Thanks very much.