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Transactional Arts

Art as the Exchange of Values and Conversion of Capital

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Daniela Alina Plewe

*What better way to prove that you understand a subject than to make money out of it!*¹

*Making money is art and working is art and good business is the best art.*²

*Wealth does not bring goodness, but goodness brings wealth and every other blessing,
both to the individual and to the state.*³

Introduction

If art in the 20th century has expanded itself and its subjects of reflection then why shouldn't it address an aspect of life which ubiquitously surrounds us: the world of economy and business? Contemporary artists have in various forms dealt with economic topics and reflected issues like money, wealth, consumption, status symbols, abundance, poverty and so on. Since the 1990ties the idea of "art and business" became a field in the contemporary art practice and discourse. In parallel, in the field of media art also occurred increasingly works, which referred in one or the other way to economic principles.

However, there seemed to be artworks among those which had a different and fascinating quality among those, since they seem to actually *implement* economic principles. So the starting point for this thesis was to ask, if these works have something in common and if so, what would be their general characteristics? What can we learn from them and does it make sense to categorize them under a new label. The answer I would like to propose is: yes, and I want to try to coin these kinds of works "transactional art". In the following thesis is will try to propose criteria and discuss the opportunities derived from such a classification and ask what this view could contribute to society.

¹ Rosenberg, Harold ,The De-Definition of Art, 1972

² Andy Warhol (quoted after, Siegel, Katy and Mattick, *Paul, Money Artworks*, 2004, p. 109).

³ Plato, Complete Works, Socrates' Defence, (Apology 23) Woods, Cathal and Pack, Ryan, Socrates' Defense (August 17, 2010). Available at SSRN: <http://ssrn.com/abstract=1023144>

The idea of transactional arts was informed by various sources of inspiration, the reception of a body of existing artworks, economic theories, specifically business literature and my own artistic practice aiming for the next steps.

Artistic Starting Point

Approaching business themes as an artist stand in continuity to my previous works. My artistic practice since 1990ties had led me from the exploration of purely cognitive topics, such as brainstorming, decision making through the idea of strategizing about ultimate goals increasingly towards action, especially social interactions and - finally transactions. Working with new media I considered the creation, design, structuring, control and expansion of possibility spaces, a concept from modal logics and Artificial Intelligence: a possibility space is the sum of the branching possibilities, which for example non-linear media offer. Possibility spaces could be structured associatively or somehow inspired by rationality.

The first major work Muser's Service was a collaborative hypertext system informed by cognitive science. It was meant to be a search engine for vague quests, e.g. when one does not exactly know what one is looking for. Internet users could input associations into a hypertext system, then vaguely specify the direction for the brainstorming and the preferred methods of thinking and the system would generate a chain of associations towards a proposed solution. The system relied on linguistic (mostly logical and semantical) classifications which also allowed to propose new metaphors in a very simple way.

The motif of exploring possibility spaces was also dominant in the interactive installation Ultima Ratio based on an Artificial Intelligence decision-support system. For Ultima Ratio conflicts from real life and literature were reduced to their logical structures in order to process them in several functional and dysfunctional modes. In Ultima Ratio the entities of meaning (i.e. the so called nodes of the hypertext) were actually logically connected and followed the derivation rules of an Artificial Intelligence system, which was modified for my artistic purposes.

Both of these works were situated and inspired by cognitive approaches to thinking and reasoning. Muser's Service was about how do we brainstorm and how we create new ideas.

Ultima was about how we reach ideally rational and optimized decisions, which could proceed action. The next question was: how we can actually leave these merely monadic and information based interactions behind and engage in social interactions. How can we design and pursue our goals? How does our doing relate that of others striving as well?

The answer to these questions came from a classic in sociology and implied for me artistically the introduction of the element of money. The readings of Georg Simmel's *Philosophy of Money*⁴ were an important next building block and as it turned out a source of inspiration for the development of this thesis. Simmel understands money as a fundamental medium for social exchange and the pursuit and of goals. He has elaborated how much money and transactions are actually serving our "teleological sequences of purposes". Money for him is a kind of a universal tool, which allows us to pursue our goals. This may remind us of the computer as a universal machine, as Turing has conceptualized computer technology. It is also universal like a language and therefore an abstract means of possibility - in other words - possibility spaces. So here was the connection between media art and the economic themes. That led the ground to ask, what if interactions actually become transactions?

To pursue this artistic quest, I started to read up on economics and the contemporary business literature on business, value creation, management and other topics, which seemed to have a massive impact on how business is actually executed today. Having mainly worked in the field of interactive media art I became also interested in artistic and aesthetic discourses reflecting economic principles, often referred to as art and business discourse.

Discourse around Art and Business

Art and business – these two domains of society seem tend to be not very particularly intertwined and yet interact in a complex way. Of course there are all sorts of businesses *with* art, i.e. the art business and the art market where the two domains touch each other.

⁴ Simmel, Georg, *Philosophy of Money*, Routledge; 3 edition 2004

However, we will not refer to the commercial activities related to the art market⁵. There has been a discourse around this relationship art and business, which has become since the mid 1990 increasingly active.

Especially since the mid and late 1990ties it has become fashionable to apply to the world of art the economic vocabulary. As Wolfgang Ulrich⁶ points out in 2001, the nature of art is to expand and integrate external and even apparently incompatible domains. “And despite the initial “anti-economism” of art and its apparent opposition to the aesthetic premises of the 18th century expecting a detachment from any economic spheres, art has absorbed the business terminology and created another perhaps paradoxical but fascinating amalgam”⁷. Artists now have embraced business practices in their art. They adopt the forms of themes, goals, terminology and even business models. Peter Galloway in his book on internet protocols and with reference to media arts observes the same trend in 2004: “While corporate organizations have long aestheticized their money-making practices in the realm of culture - it is only recently that artists have reversed this process and have started to aestheticize money-making practices in the corporate realm.”⁸

There is a huge body of practical and theoretical work on this field of art and business⁹ under which we could subsume all artworks, which somehow address economic issues. Within there seemed a trend towards more “operational” works, as Ulrich and Galloway

⁵ For example buying and selling art, art auctions, art indexes, sponsorship, patronage and traditional commissioning etc.

⁶ Ullrich, W. *Tiefer hängen: über den Umgang mit der Kunst*, K. Wagenbach 2003

⁷ Ullrich, W. *The Cycle of Art and Money. The Economics of Anti-Economics*. In *Art & Economy* (p. 244). Hatje Cantz Publishers. 2002

⁸ Peter Galloway, *Protocol: How Control Exists after Decentralization*, Leonardo Book, MIT Press, 2004, p. 227

⁹ Christophe Kiehm, *Art and Business – A Capital Relationship*, in; *Art& Economy Catalogue*, edited by Zdenek Felix and Michael Rossnagel Exhibition Catalogue, Hamburg, Deichtorhallen, Hatje Cantz, 2002

describe them at the beginning of the millennium, without explicitly highlighting the difference. To do this, was one of the motivations for this thesis.

The discussions about art and business gained increasingly interest since perhaps the early years of the century and seem to peak for now in the aftermath of the financial crisis of 2008. Two issues in 2010 of German leading art magazine “International Kunst –Forum” were devoted to the subject¹⁰¹¹ after an issue 10 years ago for the centennial issue¹² on Money. At the Ars Electronica Festivals¹³ appeared in the mid 1990 artworks like Etoy¹⁴, RTMark¹⁵ and other new forms, where artists presented themselves as corporations and business entities. Pioneers like Yann Toma¹⁶ had been leading the discourse since the early nineties from Paris and around him a group of artists and researchers keep the discussions alive. Toma’s “Critical Companies”¹⁷ provides a in depth survey. In Germany the exhibition “Art &Economy” in 2002 in Hamburg Deichtorhallen¹⁸ initiated by Felix, Hentschel and Luckow brought the topic to a wider audience and generated high visibility

¹⁰ Buchhart, Dieter, Nestler, Gerald. Kunstforum International *Kunst und Wirtschaft*, Bd 201, 2010.

¹¹ Buchhart, Dieter, Nestler, Gerald. Kunstforum International *Wirtschaft und Kunst*, Bd 202, 2010.

¹² Raap, Juergen (ed): Kunstforum International, *Das Schicksal des Geldes: Kunst und Geld - Eine Bilanz zum Jahrtausendwechsel*, Wetzlar: Schulte, Kunstforum International, Bd. 149, 2000 Buchhart, Dieter, Nestler, Gerald. Kunstforum International *Wirtschaft und Kunst*, Bd 202, 2010.

¹³ Ars Electronica Festival, retrieved October 17, 2010, from http://www.aec.at/index_de.php

¹⁴ Etoy, Corporation, retrieved October 17, 2010, from <http://www.eto.com>.

¹⁵ RTMark, retrieved October 17, 2010, from <http://www.rtmark.com>.

¹⁶ Yann Toma retrieved October 17, 2010 from <http://art-flux.univ-paris1.fr/> and Ouest Lumiere, retrieved October 17, 2010 from <http://ouestlumiere.free.fr/>

¹⁷ Toma, Yann et al, *Les Entreprises CritiquesCritical Companies*, Cité du design editions/Université de Paris 1 Panthéon Sorbonne, 2008.

¹⁸ Felix, Zdenek, Hentschel, Beate, Luckow, Dirk, “Art & Economy” Exhibition, Hamburg Deichtorhallen, Hatje Cantz Catalogue, 2002

documented in a profound catalogue. A good overview with a perspective on contemporary art provides the book by Katy Siegel and Paul Mattick called Money¹⁹. In Britain the exhibition “Shopping - A century of Art and Consumer Culture”²⁰ at the Tate Liverpool in 2003 was an important milestone to the field. Since then, an increase of exhibitions and publications around the topic can be observed internationally.

Let us have a look at the landscape of art and business and media art reflecting economic themes since the second half of the 20th and early 21st century. Without trying to give a complete survey, there seem to be a few major artistic approaches. There are e.g. artist, which use reflect economic subjects in paintings, installations and so on. Like Warhol²¹ and others who would make economic symbols, especially money an artistic material. These works often refer to representations of wealth, status, abundance, consumerism etc. Installations using money and/or currencies and valuables as artistic visual and/or sculptural material. Important is, they just *display* economic themes, but have usually not an operational and or engaging element.

This applies also to those artists, who highlight the marketing and the communicative aspects of business, again without an operational element. These would use advertisements, signs and branding as artistic materials. I would argue, they are actually the dominant group in terms of quantity. These works link nicely to the discourse around spectacles and the omnipresence of world of mere signs etc. In the aftermath of Andy Warhol prominent

¹⁹ Siegel, Katy, Mattick, Paul, Money- Art Works, Thames & Hudson, 2004

²⁰ Tate Liverpool (Exhibition) Shopping – A century of art and consumer culture, <http://www.tate.org.uk/liverpool/exhibitions/shopping/>

²¹ For example Andy Warhol, Two Dollarbills (front and rear), 1962

examples include, Silvie Fleury, Hans Haacke²² (Plamen Dejanoff, Jennifer Allen²³Daniel Pflumm and many more.

The theme of power, especially economic power, has been extensively reflected within the arts. Hans Haacke is only one protagonist, documenting and working on power monopoly in a critical way. Networks of power and the monopolies of “old boys” networks have been subject to artists long before social media became a commodity. Hans Haacke²⁴ e.g. has been investigating the monopoly of real estate tycoon and revealed, similar to an investigative journalist, the activities of the economic and power elite. Mark Lombardi²⁵ has anticipated the today widely accepted idea of social networks and has researched and presented them in early 1990ties in his drawings. Similarly, but as an interactive data visualization has Josh Ong²⁶ has displayed in 2001. In the medium photography Clegg and Goodman²⁷ have portrayed corporate leadership and created glossy photographs of

²² Haacke, Hans, Management of Symbolic Capital (with the Deutsche Bank Logo), see Kunstforum Bd 149, 2000

²³ Jenifer Allen, Playtime, in: Felix, Zdenek, Hentschel, Beate, Luckow, Dirk, “Art & Economy” Exhibition, Hamburg Deichtorhallen, Hatje Cantz Catalogue, 2002, p. 130

²⁴ Hans Haacke, *Shapolsky et al. Manhattan Real Estate Holdings, A Real Time Social System, as of May 1, 1971*, retrieved October 17, 2010, <http://www.medienkunstnetz.de/works/shapolsky/>

²⁵ Mark Lombardi, Networks, *Mark Lombardi: Global Networks*. Copyright Independent Curators, Inc., 2003.

²⁶ Ong, J. They Rule, Retrieved October 17, 2010, from <http://www.theyrule.net/>.

²⁷ Clegg Goodman, e.g. *The Board of Regents*, Cibachrome in plexi (in 4 parts), 2000 in: Felix, Zdenek, Hentschel, Beate, Luckow, Dirk, “Art & Economy” Exhibition, Hamburg Deichtorhallen, Hatje Cantz Catalogue, 2002, p. 120

fictitious and real entrepreneurs in 2000, similarly to the CEO video portraits by Gerald Nestler and Toni Kleinlercher²⁸ since 1999/2000.

There are also several artists who then have reflected the art-market, art-funding and sponsoring. For example the value appreciation of artworks in analogy to stocks is subject of Sabine Gross'.²⁹ work "Wertsteigerung (Increased Value)" from 2005, asking what actually determines the value of art. The initiators of the exhibition "Art & Economy" ask about the effects of corporate sponsorships on the autonomy of art in an era of diminishing public funding and when art e.g. becomes part of corporate communication.

A whole group of artists mainly working with new media and data-visualisations have explored the mechanisms of markets. Toshio Iwai for the Tokyo Stock-exchange³⁰ or Derivart³¹ with their stock market sonification of market rhythms. Others like Maurice Benayoun³² visual "emotional markets", meaning the search-engine results on queries on emotional concepts mapped geographically and in real time. The movements of capital-flows of the Foreign Exchange markets around the world has been subject of Laura Kurgan's³³ installations. A kind of cultural analytics in the sense of Manovich's³⁴ internet

²⁸ Gerald Nestler and Toni Kleinlercher, CEO Portraits, 2004-onwards. See artist online-publication: *retrieved October 17, 2010*, http://issuu.com/gerne/docs/y__x_gn

²⁹ Gross, Sabine, *retrieved October 17, 2010*, <http://cms.ifa.de/en/ausstellungen/ausstellungen-im-ausland/bk/documenta/sabine-gross/>

³⁰ Iwai, Toshio, Smart Space, Interactive Installation, Tokyo Stock Exchange, 2002, *retrieved October 17, 2010*, <http://mobileaudience.blogspot.com/2005/03/bloomberg-tokyo.html>

³¹ Derivart, Spreadplayer, *Retrieved October 17, 2010*, <http://www.derivart.info/index.php?s=p2&lang=en>

³² Benayoun, Maurice, Maurice Benayoun, home page *retrieved October 17, 2010*, <http://www.benayoun.com/projet.php?id=33>

³³ Kurgan, Laura, Short Circuit, a.k.a. Global Clock, *Retrieved October 17, 2010*, <http://www.100k.org/>

³⁴ Manovich, Lev, Cultural Analytics, *retrieved October 17, 2010*, <http://www.manovich.net/>, since 2008

analysis and visualization is also Christophe Bruno's "Dadameter"³⁵ displaying historical and current cultural in a pseudo stock market, however not offering any trading activities. The concept, currency and shares are the subjects addressed both by Claude Closky³⁶, whose wallpaper visualizes data from NASDAQ transactions to the aesthetic and decorative plane and by Fabio Cifariello Ciardi³⁷ with his visual and sonic representation of fluctuations in NASDAQ share prices and the shares of Sotheby's auction house.

What is the difference between these kinds of works and for example Etoy³⁸ issuing shares, RT Mark³⁹ creating a mutual fund, Blank and Jeron⁴⁰ offering an Ebay auction the right to influence an artwork? Or, to go further back, Duchamp⁴¹ selling a bond or paying his dentist with a self drawn facsimile cheque. Or Yves Klein⁴² selling void spaces, Morrison speculating with the grant money or Atelier van Lieshout⁴³ circulating their own currency? Or Christin Lahr⁴⁴ who is creating contracts as her art work? These were the questions, which I had in mind, when I started this thesis around 2004.

³⁵ Bruno, Christophe, retrieved October 17, 2010, <http://www.iterature.com/>

³⁶ Closky, Claude, retrieved October 17, 2010, <http://www.closky.info/>

³⁷ Ciardi, Fabio Cifariello, retrieved October 17, 2010,
<http://www.edisonstudio.it/edisonIta/ciardi/ciardi.html>

³⁸ Etoy, retrieved October 17, 2010, from <http://shareholders.etoym.com/>.

³⁹ RTMark, retrieved October 17, 2010, <http://www.dowethics.com/risk/launch.html>

⁴⁰ Blank, Joachim, Jeron, Karl-Heinz, retrieved October 17, 2010, <http://www.blankjeron.com/>

⁴¹ Judovitz, Dalia., *Unpacking Duchamp: Art in Transit*, University of California Press , 1998

⁴² Yves Klein Archives. *Yves Klein Archives*. retrieved October 17, 2010, from http://www.yveskleinarchives.org/works/works1_us.html.

⁴³ Atelier van Lieshout, Lieshout, Atelier Van., retrieved October 17, 2010,
<http://www.ateliervanlieshout.com>

⁴⁴ Lahr, Christin, artist homepage, retrieved October 17, 2010, <http://www.christin-lahr.de/d/projekte/projekte.html>

The distinction I would like to propose is that the second group actually contains a *transactional component*. This was the starting hypothesis. There seemed an increasing number of artworks, which have an element of exchange of value – which is exactly the definition of a transaction in economic terms. Often they would actually make money – thereby creating financial value, like a business. So does it seem a promising project trying to subsume certain artistic strategies and works tentatively under the label “transactional arts”. The only prerequisite would be that the exchange of value is part of the art work itself. Initially I concentrated on financial values only.

But of course such a hypothesis raises a lot of questions, e.g.: Is the focus on economic values enough? If not, which other forms of value do we need to take into account? Exchange, between whom? In which context? What are the mechanisms of exchange? In which arenas, to use an expression Bourriaud⁴⁵, do these artists operate?

And what kind of works would this criteria seemingly exclude? For example, the principle of division of labor has been applied by many artists, though not all make it an explicit subject of their work. They become entrepreneurs and managers or commissioners of their own works. Jeff Koons and Damien Hirst, but also Jeanne and Jean-Claude Christo are protagonists of this movement, which of course has its ancestors in the renaissance painting schools and was implemented by Andy Warhol and his factory in the 1960ties. Here artists stylize themselves as business leaders and it becomes a fashion to appear as an entrepreneur⁴⁶. However, these practices affect the artists as a person and are not explicitly part of the art work itself. These works could of course be included; if one would assume that the self-invention of these artists as managers is part of their artistic output.

Transactional Arts

The discourses around art and business in general and media art in particular were not surprisingly informed by the 1968 Zeitgeist. It is not surprising, that the overall tenor

⁴⁵ Bourriaud, Nicolas, *Relational Aesthetics*, Le Press Du Reel, 1998, 2002 (English translation)

⁴⁶ Sauzedde, Stephane, *Questioning the Critical Potential of the Artistic Entrepreneur* in: Toma Yann, *Critical Companies*, Cite du Design Editions, 2008, p 185

tended to be therefore anti-capitalistic and in the inspired by critical theory. I would like to argue, that somehow this discourses after decades had exhausted themselves.

In the field of art and business, but perhaps even more in the various arenas of media art, heterogeneity of the (more or less explicitly) stated political views was somehow lacking. In this saturated environment rituals of a critique of capitalism seem to repeat themselves, without much questioning the premises they were based on. Perhaps with the economic difficulties arising after the burst of the first internet-bubble in 2001, the trend of drying up of public art funding and was perhaps the environment to focus more on the aspects of value creation, rather than the deconstructive, often Dadaistic, absurd, dysfunctional strategies in the spirit of the student revolution and the still rebellious 1980ties.

So could perhaps the introduction a transactional element contribute to the trends of dissolving these crusted discourses? What kinds of instruments would one need to pursue this direction? Obviously economics was a viable candidate for the start. The concepts I explored turned out to be a source of inspiration not only for the theory, but also for my own artistic practice.

The first hypothesis was, that transactional arts are arts in which some sort of value is exchanged as part of the work. Beyond the economic definition of a transaction as the exchange of values, this idea lead to core concepts not only from Economics and Philosophy, but also from Sociology on social interactions. With the aim to prepare these concepts as instruments for the analysis of artworks one had to look at value theories and the mechanisms of exchange as a form of social interaction.

Economic theory was dominated for centuries around the question of value. What determines the value of a commodity, is it labor, utility, is it an intrinsic feature, or subjective to the buyer etc.? How does price communicate the value? Classical early economists like Adam Smith⁴⁷, Ricardo, Hutcheson, pursued an objectivist position as an

⁴⁷ Smith, A. *The Wealth of Nations*, 1264. Bantam Classics. 2003

intrinsic property of goods. Jevons focused on the “subjective value” and the utility, a view which is still dominating the field till today⁴⁸.

Not surprising, it seemed that when analyzing artworks other aspects besides the economic dimension of value become also relevant. As much as it seemed a promising approach, to concentrate on financial values, there seemed other factors influencing the exchange and the valuation of the entities to be swapped? These factors have also within economics been widely discussed, but also in disciplines like philosophy. Marx⁴⁹ himself laid the step stone to all later critiques of classical value theories, when he referred to the overvaluation of commodities in the form of commodity fetishism. He calls commodity fetishism the unjustifiable overvaluation of commodities due to social factors associated with it.

Jean Baudrillard⁵⁰ and others have extensively discussed the critique of classical value theories, Guy Debord⁵¹ adds a spin with the concept of a spectacle, the sign and his critique of mass marketing leading to a mere and alienated “society of the spectacle”. So the question, how to integrate these aspect of non economic values occurred. A solution I found a small article by Pierre Bourdieu on the forms of capital and their conversion⁵².

In this essay Bourdieu’s sums up his approach to the various forms of capital, which now included explicitly factors like cultural, social, symbolic capital, besides the economic one. Under these concepts he subsumes factors like education and class-background, networks, status symbols and of course financial values and he outlines how these forms of capital are converted into each other, for example, if one acquires for financial capital an education

⁴⁸ Krugman, Paul, Wells, Robin, *Economics*, Worth Publishers,2005

⁴⁹ Marx, Karl., *Capital A critique of Political Economy*, introduced by Ernest Mandel ; translated by Ben Fowkes, Pinguin classics 1976.

⁵⁰ Baudrillard, Jean., *For a Critique of the Political Economy of the Sign* ,1972

⁵¹ Debord, Guy., *The Society of the Spectacle*, La société du spectacle , Paris: Buchet-Chastel, 1967. Translated by Donald Nicholson-Smith (New York: Zone Books, 1994

⁵² Bourdieu, Pierre., *The Forms of Capital*: English version published 1986 in J.G. Richardson's *Handbook for Theory and Research for the Sociology of Education*, pp. 241–258.

which may then lead to access to social networks, which other wise wouldn't have been accessible and which can actually lead to the capitalization of relationships.

So to refine the hypothesis, in transactional occurs often a coexistence and superimposition of notions of value but often also conversions of capital, which include not only financial values. So Bourdieu's approach seems a perfect completion to the phrase of the "exchange of values". Values were exchanges yes, but at the same time the form of capital in which they existed were converted into another form of capital. To use loosely both frameworks seemed a very promising in order to approach the artworks, which I had chosen to analyze.

In terms of methodology this complementary use of two theoretical approaches would require an unification: a careful analysis, which theory can provide what and if they are really compatible. Now relating all existing value theories to the conversion of capital approach of Bourdieu would be a research project beyond the scope of this work, which after all is about artworks. So I chose to investigate, if I could find anything indicating any major inconsistencies. And I concluded, that in principles the notions of value can be subsumed under economic capital, and that the other forms of capital are just additional aspects, very relevant for the artwork I had in mind. So in other word, I chose to allow myself to eclectically have access to all the theories mentioned and highlight whatever is relevant in the specific context. I will apply also terms from business literature mainly from strategic management and finance. Especially pragmatic heuristics on negotiation and deal-making, financial planning (for which I acquired a license for this context) up to how to construct business contracts were fruitful sources of inspiration.

From a business perspective, before it comes to a transaction, the parties tend to negotiate along their strategic goals and then find an agreement with the other side(s). In a deal, the possibility spaces of the involved parties somehow meet; their intentions have to find some constellation beneficial for their overall goals. Then a deal can actually happen. In contract law, this agreement between negotiating parties is called surprisingly poetically "the meeting of the minds".

In a transaction the possibility spaces of the involved parties meet. Their goals and intentions have to be arranged according to their mutual benefit, or some sort of acceptable

deal. In case there is no agreement between the parties, then there is no deal. But yet, there was an attempt for a deal, as there was an offer from one side. In many transactional artworks, there is actually no transaction happening, yet, there is an offer made as part of the artwork. In business contexts the result of a successful negotiation is captured in a legally binding and enforceable document. Aesthetically one may ask, if contracts could be viewed as a kind of condensed narrations and we could imagine a variety of artistic opportunities around this subject.

So the “deal” that precedes a transaction is therefore a crucial concept in what we may call here transactional art. Any transaction or stable system of transactions needs some sort of reciprocity and therefore agreements. Are there deals in transactional arts, where reciprocity is violated? Yes, there are many cases where artists actually give away something, apparently for free. Marcel Mauss⁵³ and also Baudrillard have extensively reflected the mechanics of reciprocity in exchanges and the social implications deriving from them. This links transactional media arts of course to the discourse of power around interactive media.⁵⁴ Is a successful deal a necessity for transactional arts in our sense? Now, often deals are just offered and this is part of the conceptual element. Or they are not visible at all and just constitute implicit aspects of the work.

With the integration of Bourdieu’s approach one could actually expand the understanding of transactional art even to the cases, which we seem to have excluded, like art about the art-market and other non-transactional approaches since they all – in an inflationed sense – are a final conversion into cultural capital. However, for the time being, I decided to keep the transactional component tighter and not consider any artwork as a cultural capital aspect.

So having transactional arts hypothetically outlined as works with an exchange of values and conversion of capital and understood the core questions this instrument could be

⁵³ Mauss, Marcel, *The Gift: The Form and Reason for Exchange in Archaic Societies*
W. W. Norton & Company; Reissue edition, 2000

⁵⁴ See e.g. Baudrillard *Requiem pour les medias*

applied to a set of works and trying to analyze them with the transactional artworks. I differentiate between transactions between individuals, those dominantly involving organizations and works, which facilitate transactional systems, like market-places creating some sort of a meta-level.

What would the implications be? Of course topics would occur, for example: how does art, which in some cases imply a financial benefit relate to the classical aesthetic notion of disinterestedness and l'art our l'art? What actually happens, if the transactions become interactions? In transactional arts, buying and selling become means of self-expressions. And personal finances and book keeping become an autobiographical artistic format, similarly to diaries?

What about art-works which claim to be veritable companies, but are actually a kind of operational fictions? Transactional art works actually often include a fictitious element. Under the concept of "superficion" artistic practices have been discussed, which introduce a fictitious element or even give the artwork itself a questionable status, leaving it unanswered, if it is real or not. As "superfictions" are visual or conceptual artwork considered, which use fiction and appropriation to mirror organizations, business structures, and/or the lives of invented individuals (Peter Hill, 1989⁵⁵). Often the superfiction is often a gesture of empowerment, where the artist through an implicit or explicit declaration create value⁵⁶.

What about the implications towards legality, if artists were exploring possibility cross legal boundaries, when effectively forging money, counterfeit currencies etc? How do artists then actually create values, if they do not have the production means? What kind of circumventing strategies do they apply? How about media works, which looked like online businesses?

⁵⁵ Hill, Peter, *Museum of Contemporary Ideas*, <http://www.superfictions.com/>, since 1998

⁵⁶ Example is Duchamp's Monte Carlo Bond but also many works, where currencies created by artists are traded (Check nominalism book): de Duve, Thierry, *Nominalism, pictorial*, edition, Minuit

And how artworks, creating whole value chains, which are sequences of sequence of operations across various organizations or agents, thereby implementing the division of labor production- mechanism. All of a sudden, commissioning and outsourcing can become a constituent of the artwork? Some media art works provide systems and facilitate all sorts of interactions facilitating crowd-sourcing, user generated content and the likes. So what if artists now build transactional systems, like marketplaces? What kinds of relationships are actually created in this kind of art, and is it therefore a kind of, what Bourriaud, calls relational art? What becomes the artistic material in transactional art?

And what are the implications of the differentiation between interactions and transactions? Many interactive art works in the 1980 and 90ties were concerned with the issues of the adequate cognitive representation and knowledge representation. But there is a significant difference between a merely playful interaction and a transaction, where resources are at stake. By introducing the transactional component a kind of attention and seriousness and thereby undercut the playfulness of “just clicking”. All of a sudden the actual social status of the participants, their resources and negotiation power become relevant, when creating or perceiving the artworks. If the deal is crafted between audience and artist, this may be a skandalon, as in the democratized era of art we expect it to be free and available for anybody independently from his/her resources. But of course this view is historically relatively new and was probably not applicable for most eras of art.

When we talk about deals, the rationality of both parties becomes an issue. The difference between deals and merely “non-committing” interactions is that the involved parties have to address the rationality of the other party. The other party needs to be convinced to agree to whatever deal is proposed. And even if she does not, and the deal remains an unanswered offer we would consider it as transactional art. So art, which shows deals even if they remain unanswered make this relationship of a potential synergy visible.

When introducing the issue of resources, it changes the game of art. The social positioning of the involved parties becomes a quasi irreducible factor and introduces an existential dimension. And without being deliberately Marxist one may say, transactional arts in a sense highlights a materialistic dimension of art. It introduces the question of a commitment, a perhaps fundamental if one is willing to sacrifice some of one’s resources

for the offered exchange. What are the limits to all this, when do the conditions for potential deals cease? At the bottom-line in death, the impossible exchange, as Baudrillard reminds us.

I would like to argue, that with transactional arts, art becomes creative deal-making and “opportunity detection”. It transgresses solution-spaces in order to create a deal, valuable for all involved parties. These deals happen in the social reality, not anymore in the sphere of mere interaction. Some may be considered as utopian deals. The easiness of a playful and interaction is overcome and the transactional element catapults interactive art into the realm of economic power.

Let us call the kind of creativity to envision goals and ways how to reach them “strategic creativity” for now. Any leadership involves some sort of this creativity. Artistic creativity and strategic creativity, which maybe dominant in of business and policy making, have more in common than the members of the two domains normally think. Transactional arts are a platform to explore these similarities and practice strategic creativity not only in the art-discourse but also create strong references to the outside world.

Why should art be occupied with strategic creativity? Because art tends to incorporate other domains and there seems a lot of potential for art to reflect or even mimic the form of creativity that is executed by the power – normally addressed with the concept of “leadership”. Transactional art can reflect the creativity of the powerful and it may play with it. It is art playing with the social realities, perhaps similarly to as computer gamers, playing simulation games, where power structures are implemented in an IT system. It plays in its own way with laws of power.

Methodological Note

Introducing the transactional constraint what kinds of benefits does this bring? Creativity researcher Mary Boden⁵⁷ calls a conceptual space a domain of knowledge with certain

⁵⁷ Boden, What is Creativity

organizing principles that unify and give structure to a given domain of thinking.⁵⁸She suggests various heuristics for creativity, like the novel combination of familiar ideas, for example, exploring parts of a conceptual space not normally considered,, transforming an existing conceptual space to produce a new space of possibilities. And identifying a new space of possibilities by shifting the problem space in response to searching the conceptual space of solutions, for example co-evolution of problem and solution spaces. By introducing new rules, one may evolve the conceptual spaces or even drastically changes the rules and thereby forms a new conceptual space, something Boden calls transformative creativity.

Let us refer to the domains of “art and business” and media art as two conceptual spaces and we had located certain artworks in both domains, having some properties in common. From these works we can then induce other criteria and see what they may have in common. Nelson Goodman⁵⁹, in the “New riddle of Induction”⁶⁰ actually questions induction philosophically, as one may always introduce projection—is, then, to explain what are the bases for projecting certain predicates For, as Goodman states it, “regularities are where you find them, and you can find them anywhere” (1983, 83). There is no difference in principle between the predicates we use and those we could use, but rather a pragmatic difference in *habit*, or of “entrenchment” of certain predicates and not others. So with transactional arts, we are just introducing a new predicate, which then modify our perception of reality, which for him is anyways a result of mental constructions. But this would apply to every categorization and does not diminish the pragmatic conveniences of applying categorizations as an epistemological means.

With spelling out the characteristics, or in Boden’s terminology the constraints offer a lot of potential to discover new opportunities in the omissions, by mere alteration of the constraints etc. But it also yields the potential for more fundamental changes, which she

⁵⁸ Boden, Mary, What is Creativity, p. 20

⁵⁹ Goodman, Nelson, The New riddle of Induction

⁶⁰

calls transformative creativity. So basically we take the conceptual spaces (art and business and interactive art), introduce a new requirement, thereby modify the existing space and can now analyze characteristics and additional constraint (artistic practices) within this altered (perhaps even new) conceptual space. Then we can try to generalize and extract the implicit rules and constraints within this conceptual space hopefully valuable for theoreticians as well as for practicing artists. In the chapter characteristics of transactional arts, I actually try to subsume, what the artworks have in common and what could be general characteristics of this class of works.

Continuities and Outlook

These implications would embed transactional arts, if the category would pass, in various existing discourses and link it to various traditions. Obviously transactional arts would be in the tradition of conceptual art. Strategic creativity and a strong distinction between the concept and the actual implementation. Often the transactions are not executed but are the conceptual core of a work.

Conceptual art is in itself teleological or – we fancy a more contemporary expression - strategic and differentiate – like Joseph Kosuth - between the why and the how.⁶¹ in conceptual art the artist defines the ultimate goals and concept or idea, rather than focusing primarily on the means of implementation. Conceptual art is about the ends, not so much about the –metaphorically speaking - tactics of war and the struggle of implementation. This links conceptual art actually nicely to Simmel’s teleological and strategic understanding of money as a universal tool to pursue goals.

One may say, that Nelson Goodman also introduces a strategic differentiation: he distinguishes between the execution and the implementation of an artwork.⁶² With execution he refers to all processes making an artwork, under implementation he understands the ways “art enters into culture”. In transactional arts, the execution may

⁶¹ Kosuth

⁶² Goodman, Nelson, *Implementation of the Arts*, Journal of Aesthetics and Art Criticism, No 40 (3):281-283, 1982.

include the conceptualization of a transaction, the implementation does not require an actual transaction, but can be merely “making the art-piece work” in terms of positioning it in the art context, or even outside of it. Part of the implementation is the creation of social relationships. So in this sense transactional arts are a form of art which Bourriaud addresses under “relational aesthetics”, meaning artworks in which social relationships emerge. Transactional arts highlight a very specific, yet omnipresent relation between humans: that of social interactions in the forms of transactions.

As we will see, not all, but many transaction artworks are actually highly participatory in nature. This applies especially to the group, where the transaction involves the audience. Discussed as its “participatory” character, interactive art is often about the engagement of the audiences with the artist and/or the art work. Since the early Duchamp the audience has become increasingly and integrative element of the art itself. The movements of Fluxus and Happenings in the 1950ties and 60ties have explored these forms of interactions extensively. With the emergence of new media, and interactive technology, of course opportunities to allow and facilitate user involvement have increased. So becoming “operational” in the sense of transactional is from this perspective not surprising for the field of media art. We will observe that many accomplished new media works presented at festivals like the Ars Electronica⁶³ and Transmediale⁶⁴, ISEA⁶⁵ and festivals alike, actually have transactional features in the sense of a value exchange.

Transactional arts may be viewed as standing in the tradition the sociological art movement (Collectif d’Art Sociologique) initiated by Fred Forest, Hervé Fischer and Jean-Paul Thénot in 1974⁶⁶, which aimed to question existing artistic practice and secondly to

⁶³ Ars Electronica Festival

⁶⁴ Transmediale Festival

⁶⁵ ISEA, International Symposium on Electronic Arts

⁶⁶ Forest, Fred *Manifest of Sociological Art and Aesthetics of Communication* , (Manifestes de l'art sociologique et de l'Esthétique de la communication) , http://www.webnetmuseum.org/html/fr/expo-retr-fredforest/textes_critiques/textes_divers/2manifeste_art_socio_fr.htm#text

develop a critical analysis of society through a sociologically interventionist practice. “Sociological Art” attempted to establish the modalities required for participative communication between artists and the public. It proposed to consider art in terms of interaction, animation and the creation of structures of exchange, provocation and disruption of conventional social behaviors with a view to denouncing all and any forms of conditioning. In a classic move of “detournement” (re-contextualization) often associated with the situationists, sociological art aimed to draw attention to the channels of power and communication it was aiming to undermine.

Transactional art however does not only reflect and redefine participatory structures between artist and audience, but potentially between any parties. The transactional relationship, which is crucial, has not only to be between the artist and the audience, as we will see. Sociological art according to Fred Forest “doesn't aim to manage the real, present or to come, but to exercise in relation to the social reality and to ourselves, a function of questioning and disruption.” Transactional art however is an application of business principles and in such gets much closer to the social reality.

An interesting connection could also be drawn to “critical institutionalism” mostly associated with the work of artists such as Marcel Broodthaers⁶⁷ and Hans Haacke⁶⁸ Focus lies on the inquiry and change of institutions in general and art institutions, such as galleries and museums in particular. Today net-art, based on the internet has considered itself to stand in this tradition. Transactional art therefore, depending on its subject can be a case of institutional critique.

Another discussion in the field of art and business circles around the analogy between artist and entrepreneur has been explored artistically and theoretically. They adopt the forms of themes, goals, terminology and even business models. They may have catered to an affinity, which already existed: both artists and business leaders construct a self-image of some kind of military hero, the “avant-garde” at the forefront of some notion of progress,

⁶⁷ Broodthaers, Marcel

⁶⁸ Haacke, Hans

be it art-history, “zeitgeist” or business opportunities. All of sudden artists present themselves as if they were business participants, it becomes fashionable and a kind of status symbol for them to appear as if entrenched in the business realm. As Wolfgang Ulrich states: “Casual, smart, tough, decisive, yet flexible – these become the virtues accepted by both business actors and artists alike”.

The economics of artistic -production reflects also Paul Menger’s⁶⁹. He views the artist as a worker, a workforce exposed to a highly competitive and dynamic working environment, requiring all the flexibility of an entrepreneur or at least self-employed entity of a value creating network and finally as an entrepreneurs (Stephane Sauzedde⁷⁰).

Perhaps the closest affinity to a recently occurred movement has transactional art to “Cultural and Leadership Hacking”. Under the notion of “cultural hacking” in general and Duello and Liebl⁷¹ had addressed in 2005 artistic strategies, which not only critique existing conditions of society, but develop more or less functional so called cultural innovations. As such strategies they consider fictions (very similar to the ones already discussed), camouflage (an apparently innocent surface for a subversive content), fakes (which stand in relation to some original and aim to be discovered by the audience), subversive affirmation (apparent affirmation, which is actually a critique⁷²), collage/montage (like sampling) and detournements (totransfer from one context into another and possibly create a new functionality, forms of “creative abuse”).

⁶⁹ Menger, Pierre-Michel *Artists as workers: Theoretical and methodological challenges, Poetics, Volume 28, Issue 4, February 2001, Pages 241-254*

⁷⁰ Sauzedde, Stehpane, *Questioning the Critical Potential of the Artistic Entrepreneur*, in: Toma Yann, *Critical Companies*. 2008, Sauzedde, Stephane, *Le Potentiel Critique de l’artiste entrepreneur en question*, p. 81-98 in: Toma, Yann et al, *Les Entreprises CritiquesCritical Companies*, Cité du design éditions/Université de Paris 1 Panthéon Sorbonne, 2008

⁷¹ T Duello, F.Liebl,. *Cultural Hacking, Kunst des Strategischen Handelns, Art of Strategic Actions*, Springer, Wien/New York, 2005

⁷² E.g. the Yes man broadcasted interview in the context of the Bhopal incident.

Designer groups like “Chicks on Speed”⁷³, “Dunne + Raby”⁷⁴ and “Human Beans”⁷⁵ are protagonists for cultural hacking. Special criterium is that a innovation is part of the artwork, in other words a contribution to progress and a “constructive critique”. Chicks on Speed design new products, such as the first “first wireless high heeled shoe guitar”, “Dunne + Rabe” use the medium design to stimulate critical discourses and create design e.g. “for an overpopulated planet”. The “Human Beans”, also a design oriented group offer a software package to “manage your family and their activities”. They apply the concept of “leadership hacking” for what one may call managerial experiments, such as the project Ouest Lumiere by Yann Toma. Many cultural hacking practices are actually transactional, but I would argue the nature of the innovations is slightly different. Transactional art is closer to leadership hacking, than to the mere creation of innovative design products.

The innovations which transactional artists produce may of course include new products and services but the most interesting potential I find could lie in the creation of new models of value creation, business models, deal-making and social contracts on a general level. With transactional arts art becomes again operational and a subject of genuine creativity. For Michel de Certeau⁷⁶ the consumer was actually a underestimated and unrecognized producer and Boris Groys⁷⁷ had claimed the role of the artist from a producer to a consumer, a trendsetter and “coolhunter”. What The transactional artist I would like to aks, is neither nor – he is actually introducing a romantic, possibly naively modern idea of creativity concerning value creation.

Since transactional artists actually apply economic know-how they may create not only aesthetic value but also economic capital. The transactions can involve not only economic and monetary capital, but also social, cultural and symbolic forms of capital. We may ask,

⁷³Chicks on Speed, <http://www.chicksonspeed.com/>

⁷⁴ Dunne+Rabe, <http://www.dunneandraby.co.uk/content/projects>

⁷⁵ Human Beans, <http://www.humanbeans.net/spamsite/fiction.html#fiction>

⁷⁶ De Certeaus, Michel

⁷⁷ Groys, Boris, 49, 1998,

if therefore the “success criteria” of both disciplines involved – here art and business – are somehow fulfilled?

Should this be considered a variation of Ranciere’s⁷⁸ “emancipation of the spectator”, overcoming traditional borders between politics and art and we may extend it to economics and art. What is the relationship between art and society anyways? Has art the potential to change society, has it “revolutionary potential” or is it just a medium of reflection, or compensation and comforting for the dismal of social orders, as Plato already asked more than 2000 years ago.

Can art contribute to society and change it? Or better, can artistique critique do so? According to Boltanski and Chiapello (Boltanski, L. and Chiapello⁷⁹): yes. They studied French management literature and aimed to show, that the values of what they call bohemian critique actually influenced the way how corporate working environments are organized today. As employees we work today more liberated, individual, have flatter hierarchies and Boltanski attribute this to the influence of the bohemian critique. Can they bring a proof for a causal relation? Probably not, but stating the impact of the bohemian zeitgeist on the business world it is more than plausible. And art was helpful to manifest instantiate and experiment with the ideas of the time.

When creating values, transactional arts may appear as a mimicry of the social reality, indiscernible from the real. “Is it sufficient to identify the mechanism of our economy” asks Stephane Sauzedde. Can the artistic entrepreneur be an acteur of a “true critique” he asks. And does transactional art only re-instantiate the capitalistic mechanisms, is it a kind of

⁷⁸ Fulvia Carnevale and John Kelsey in conversation with Jacques Ranciere, Art of the possible: in: ArtForum, March, 2007 by Fulvia Carnevale, John Kelsey.
http://findarticles.com/p/articles/mi_m0268/is_7_45/ai_n24354911/pg_3/?tag=content;coll

⁷⁹ Boltanski, L. and Chiapello, Le nouvel Esprit du Capitalisme, Gallimard, 1999.
<http://www.cnam.fr/lipsor/dso/articles/fiche/boltanski2.html>

“reproduction of reality”⁸⁰ or is it merely “problem providing” ?⁸¹. Perhaps even a kind of double-strategy born out of anxiety and therefore reflecting capitalism in an affirmative way and not in opposition anymore? We would say: no. We understand transactional arts somehow ideologically neutral, all they require is humans willing to exchange something. We view transactional arts therefore beyond any particular economic system and therefore an instrument for any critique and/or experimental improvements of economic systems in general. Transactional arts try to address the *conditio humana* of the *homo economicus*. And the entrepreneurial artist becomes a deal-maker reflecting his own doings.

Wolfgang Ulrich asks if artists can actually be strategic actors outside of the art context. He remains skeptical, because from the viewer’s perspectives it may still be “only art” and therefore nothing to be taken seriously. I would like to add, this may also be a result of the dilettantism of many artists working in the field regarding economic knowledge. This of course can be cured. To overcome the “just art” doubt, artists may have to leave the art context and therefore be indiscernible for those skeptical of art. This undercover activity may be the price to pay today, if artists want to reach out – sometimes perhaps paying the price to be not anymore perceived as an artist. Transactional arts, may be an interesting approach for such double strategies, or even exit-strategy.

If art is about changing society and having an impact, then why not acquire one of the most powerful disciplines, which capitalism has to offer. Financial knowhow is the domain, which accumulated the greatest wealth in our current system, is it the steering centre of any economy, and the location where capital is allocated and risks are managed. If artists want to have an impact on society, then why not conquer these domains and knowledge and enrich them with the skills of creative deal-making and strategic creativity. Artists have successfully conquered knowledge domains, such as new technologies, biotech, nanotech or disciplines alike – so why not economic knowledge in general and financial knowledge

⁸⁰ Felix, Zdenek, Hentschel, Beate, Luckow, Dirk, “Art & Economy” Exhibition, Hamburg Deichtorhallen, Hatje Cantz Catalogue, 2002

⁸¹ Dillo, Liebl, Cultural Hacking, Die Kunst des Strategischen Handelns, The Secret History of Cultural Hacking, 2005, p31

in particular? Finance, in particular is the meta-economic knowhow in any economic systems seems to be very promising candidate.

With the Western societies in a apparently structural crisis and in a long term economic downturn and with the economic and “rise of Asia” the fact that more and more artists turn towards economic issues and experiment with new modes of contracts is perhaps an avantgardistic a reflex of the challenges of the “zeitgeist”. The rest of this century will most probably be dominated by a culture, in which wealth and happiness are closely related, often represented with visually similar characters. Our economic systems like socialism and capitalism seem to be questioned and in a process of transformation. Social systems fall apart, retirement plans, as the contract between generations just to name a few. On the individual level how will the evolution of social relationships look like. Despite the current renaissance of traditional family values, yet, the institution of marriage is increasingly questioned in traditional societies undergoing a process of secularization e.g. in eastern cultures. Beyond the individual level and in terms of institutions, one may ask: who are actually the agents of power? Nation-states, corporations, financial institutions, who else? In these times, exploring new forms of social contracts seems a justifiable activity for artists.

So if artists want to contribute to the current situation and be at the pulse of the time, then why not try to contribute to the evolution of our economic systems, by experimenting through deal-making and strategic creativity. Perhaps they may even be able, to deliver insights and fulfill a bit of the promise, the idea of the avant-garde had defined for them earlier. Whatever political, economic or other position one takes, transactional artworks with its core characteristics of creative deal-making and strategic creativity may serve as an experimental platform to express any artistic constructive experimental critique of any economic system. Will transactional arts be able to really contribute to the evolution of our social orders and economic systems? Most probably not – but it would be from an artistic standpoint be desirable and is perhaps worth a try.

Plan

The thesis starts with my artistic practice and how I moved towards transactional arts. In Part I my artistic practice is documented, mostly works of the 1990ties. I subsume these works under the theme of creating and exploring possibility spaces (by which I mean the branching decision trees, which non-linear media provide) and how to navigate through them. The questions around the ultimate goals, not only for the navigator and recipient of art, but also for the artist and in general for humans navigating through their lives becomes a core theme of my art.

The following group of works created after 2000 I introduce under the title “overcoming the frog of war”, since they aim to reduce complexity with a strategic approach to the pursuit of overall values. Some of these works appear as applied art works and data visualizations, but I would like to include them, as they are important milestones towards transactional arts. They led to the observation that there seems to be a tendency towards micromanagement of mediated interactions and that generally speaking, interactive media today do not easily represent long term, epic dimensions of life and do not support the strategic alignment of individual interactions, like an email, a phone-call etc. with higher level goals. Therefore in I try to create with my works actually “epic media” trying to allow for this big picture approach.

At the end of this part, I show how introducing the element of money could perfectly address the artistic themes I was working on. Therefore became something like an “artistic conclusion” on the road towards transactional arts. So the idea occurred, to investigate, what would happen if we would move the focus from interactions towards transactions.

In *Part II* I introduce the core economic concepts to be used as analytical instruments for the analysis of artworks. Transactions as an “exchange of value” is the core formula to be understood in economic, but also philosophical and aesthetic terms. Economic value-theories, and also more philosophical reflections around the nature of exchange, e.g. the issues around reciprocity, gift economies, waste and dissipation become relevant here. They lead to Bourdieu’s forms of capitals, which allow in an elegant way to include also

non-economic aspects, such as the social, cultural and symbolic implications of transactions.

In *Part III*, after gathering some core concepts as instruments for the analysis of transactional arts, I approach contemporary art, including media art. Surprisingly also modern classics like Marcel Duchamp and Yves Klein “qualify” as transactional artists. However, most art is very recent and often media based works, especially since there seems to be a trend towards the field of art and business as a theme and transactional art works. In the conclusion I try to make further observations and extract the core elements of transactional arts – creative deal-making and strategic creativity as potentially interesting contributions to society. An art form based on deal-making and strategic creative thinking what could be the value for society be?

Finally, in Part IV I want to conclude this story of an inspiration with some examples of my latest artistic practice, instantiating many of the previously articulated ideas. I was always inspired by theories, and in this case I found introducing and inquiring the idea of transactional arts and extracting potential principles most inspiring. The artworks include a generic negotiation and deal-making platform as a kind of market-place, a conglomerate of companies, which require certain conditions for their full perception and the design of several financial services offered by various firms. These projects are mostly implemented as e-commerce companies. A franchise platform for transactional arts and allows to artistically continue the discourse.

PART I: TOWARDS TRANSACTIONAL ARTS

In this part we want to describe my own artistic practice starting in the 1980ties leading towards what we call transactional arts. We will highlight the core motivations and themes running throughout my artistic practice starting in the mid 80ties till ca 2005.

Starting with an overview of some of the early works using photography and video I started to use in the early nineties non-linear media conceptualizing artistic software. The main interactive art works are *Satzersatz* (1992) reprogrammed as *GeneralNews* (2003), *Muser's Service* (1994-1996) and *Ultima Ratio* (1996-97). We will also document some works, which seem to be more applied works and data visualizations, as they play an important role in the development towards transactional arts.

In a next step we will show how introducing the element of money seems a perfect fit to extend the themes so far explored. Introducing the element of money and therefore addressing the economic realm may not be a logical consequence, but an artistic one, allowing pursuing and modifying the themes of my earlier practice. As we will see, entering the realm of transactions emphasize a movement away from the monadic approach of the early works which circled around the mental activities on an individual more than on interactions with others towards the social sphere. Of course introducing money raises a lot of questions, for example: what will happen if interactions become transactions? What does this imply for interactive and - now transactional - art? By introducing the transactional element the artworks works are automatically enriched by the various dimensions of power, social status of the participants and mechanism of value-creation. But before we approach these questions, let us have a look how the journey started.

Artistic Practice

The created her first major artistic works in the early 1990ties with investigations of creativity (e.g. *Muser's Service*) and decision-making (e.g. *Ultima Ratio*) both informed by cognitive science and artificial intelligence. These early works were reflecting what Habermas calls "herrschaftsfreien Raum" – the space of an ideal discourse undistorted from the influences of control and power. From the early works to the latest transactional

art works, there is a shift from the cognitive dimension towards the spheres of power. As we will try to show, transactional art is for now the final point on this trajectory

All the artworks, even the new transactional art works, may be subsumable them under the theme of strategizing. The concept of strategy is a widely used in various fields, such as military, politics and business, especially management.⁸² A lot of this literature is non-academic and we will not refer to it here explicitly, though with its pragmatic and practical stances it was influential for the development of the concept of transactional arts⁸³.

We will allow ourselves to interpret the notion of “strategy” metaphorically and in an “existential” understanding: strategizing is about the meaning of life, the question for ultimate goals and how to reach them, in other words a *conditio sine qua non* of human life. In all the works of the author in one or the other kind these issues have been addressed. What are our possibilities in general, what are the ultimate values to be pursued in life and how do we reach them? Or to quote a famous phrase of the American constitution and substituting the final goals with the notion of happiness: what could the strategies for the pursuit of happiness be?

Creating and Exploring Possibilities

As a young person it seemed adequate to ask, what could be, what should be, what could be done, if we were free and without any constraints? How can we contribute to progress? What actually are the possibilities at one moment of time?

A theoretical understanding of the notion of possibility I gained only a bit later in the mid 1990s when I discovered the philosophical field of modal logics⁸⁴ (at the time part of the interdisciplinary intersections of philosophy of mind in the analytical tradition and logics)

⁸² See e.g. Mintzberg, *Strategy Safari – und Brunken..*

⁸³ See bibliography.

⁸⁴ Lewis, David, *On the Plurality of Worlds*, Oxford & New York: Basil Blackwell, 1986 and Lewis, David, *Counterfactuals*, 1973. A good introduction over this at the time new field gives Nolan, Daniel *Topics in the Philosophy of Possible Worlds*, 2002

which provided a theoretical understanding of possibility spaces, termed as “possible worlds”⁸⁵. The concept of possible worlds consider the actual world to be one of the many possible worlds. For each distinct way the world could have been, there is said to be a distinct possible world; the actual world is the one we in fact live in. The ontological status of possible worlds is subject of the dispute in this community, which played an important role in the development of Artificial Intelligence logics.

Modal logics investigate which propositions are true or false in the various possible worlds. Assumption is that every proposition is either true or false at any given possible world. What is called in natural language a “possibility” is the set of worlds, in which this proposition is true. The possibility space contains in this sense many worlds, with different propositions varying their modal status. Between the worlds, there actually exist so called “accessibility relations” which are links between possible worlds and create actually a kind of – (logical) hypertext. For example, one may access from one world, where X is true another one where Y is true, but Z can’t be true (because it is incompatible with X, for example). We need not dwell into this approach in detail here, though it was inspirational for my view on non-linear media and hypertext systems.

INSERT (not yet translated):

Another source of inspiration was the aesthetics of Nelson Goodman, especially “Ways of World-Making”⁸⁶ and his views on philosophy of science in “Fact- Fiction Forecast” originally published in 1954)⁸⁷. For Goodman the arts are just one way of world-making, as is science and other forms of symbolic systems all generate equally “real” worlds, even though we may agree for pragmatic reasons on one reference world. When moving towards computers as a medium for my art, I was exactly attracted by this promise of creating

⁸⁶ Goodman, Nelson, Ways of World Making,

⁸⁷ Goodman, Nelson, Fact Ficiton, Forecast.

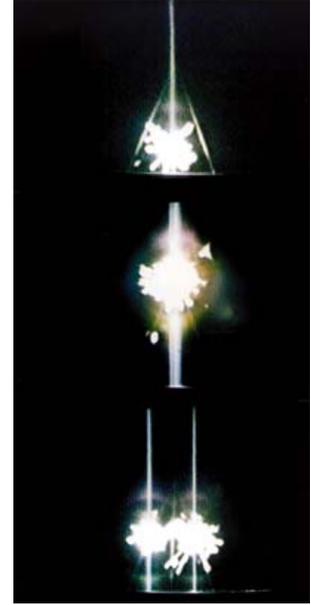
various worlds. Thereby overcoming the linearity of time seemed very appealing. When creating worlds, one could try to improve them, forgive mistakes which in reality were due to the nature of the irreversibility of time, could not be erased. So computers seemed the perfect medium to open up a freedom for risk-taking when creating and exploring new worlds- in other words: possibilities.

The topic of possibilities is not only fascinating as for an artist working with non-linear media, where the medium with its branching nature inherently is about decision making. It poses also the question how the recipient will navigate through interactive artworks. Of course it is of relevance for any artist, since he always somehow chooses what to do, what to set on the agenda. But beyond that- and this is why I pursued this theme throughout my artistic practice - it is a *conditio humana*, a *conditio sine qua non* of life itself. Making decisions equals navigating through the choices, which life offers us. We will see in this section how this topic explorations have altered over throughout my artistic practice.

So working with new media has for me been always been the creation, design, structuring and control of possibility spaces. And like many artists, I am interested in exploring and expanding these.

Early Experiments

The very first works were visual enquiries into the nature of the idea of possibility. These experiments actually started with 3 D objects and reliefs made of resin and brushes (the hairs symbolizing the potential transgression through possibility spaces within their radius). They were continued in the linear medium video with works such as *Bifurkation I*”, “*Storyboard*” and “*Allueberall*”(“Everywhere”).



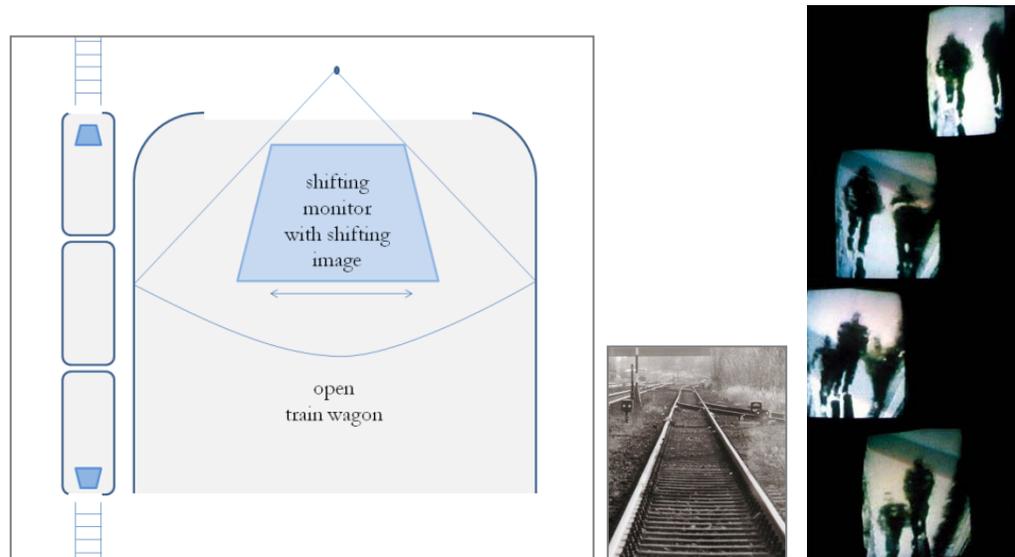
Allueberall (Everywhere) Video, 1986

Another attempt of approaching the theme of possibility was the video installation “*Peil*”(literally translated “Bearing of a Direction”) created for the Documenta city program in 1992 during a performance of the group *BBM*. . Here possibility spaces were “screened” and monitored in an overlay of various movements in a moving, open train, where the passengers could see the converging trails in front and behind them, since the train was opened up in during this summer performance.

At the front and the rear of the train, a monitor was placed above the rails, displaying two versions of the same video. The shadows of humans traversing a bridge are captured with a sidewise turned camera turning from right to left. This video was then filmed again by a horizontally shifting camera and shown on sidewise shifting monitors. The front version was digitally convexly curved, the one in the back concavely.

Since both videos are displayed on moving screens, the movements of the central perspectives superimpose each other. The interferences of the shifts (in the video and by the monitors) shift above the middle axes of the tracks while pointing towards the focus of

the perspective where the tracks converge. Possible other directions to move, omissions⁸⁸ and the gliding in space and time converge.



Peil, Video Installation (in a train with open front and back door), 1992

First Interactive Installations and “Screen-Texts”

The insufficiencies of the medium video to express themes around concepts of possibility and potentially which interested the author at the time lead to the shift towards non-linear-media. Discovering computers as a medium meant all of a sudden something like the reversibility of time and simultaneity through programmability- and therefore an escape from the constraints of linear media.

1. The first work with non-linear media was the software *Satzersatz* (literally translated “substituting sentences”) which was substituting words in real-time on a moving screen. This represented a sort of screen literature, which reflected the fact, that any text displayed on a screen is a permanently recreated image. Texts were in *Satzersatz* changing all the time, and created the irritating effect, that after the eyes’ movement from left to right the text would already have changed. In relation to the theme of possibility space, a space of variations was created around the original, so

⁸⁸ The ideas around the omissions were inspired by reading Lyotard, Jean-Francois *Le Differend*, 1984.

to speak a possibility space around the original text. Various kinds of substitutions were explored, e.g. the shift from colloquial to formal legal language.



Satzersatz, interactive installation, 1992

As the menu said:

Satzersatz generates a space of possibilities around a text. The program simultaneously substitutes all the words with synonyms or meaning-preserving expressions. Similar words are substituted by other similar words and so on, so that the text is continuously changing.

The author's work, choosing one word amongst many other possibilities when creating a formulation, is inverted: The linear text is expanded with its omitted possibilities, and it loses its fixation within linearity. The omitted possibilities are presented to the readers, who find themselves in a peculiar reading situation: what they just read will have changed in the next moment.

The user may choose between five applications of Satzersatz:

- *von Buwinghamen, The Journeys of Lord Karl Eugen Generation of plausible variations of historical facts. (site-specific content for an exhibition at Schloß Solitude, Stuttgart)*
- *S. Beckett, Glückliche Tage / Happy days / Oh les beaux jours Quest for the adequate translation*
- *E. McBain, Transition from slang to juridical terminology*
- *M. vos Savant, Brain Building, Variation of premises and conclusions of advices*
- *Marquis de Sade, Die hundertzwanzig Tage von Sodom (The 120 days of Sodom)*
Irrelevance of Permutation

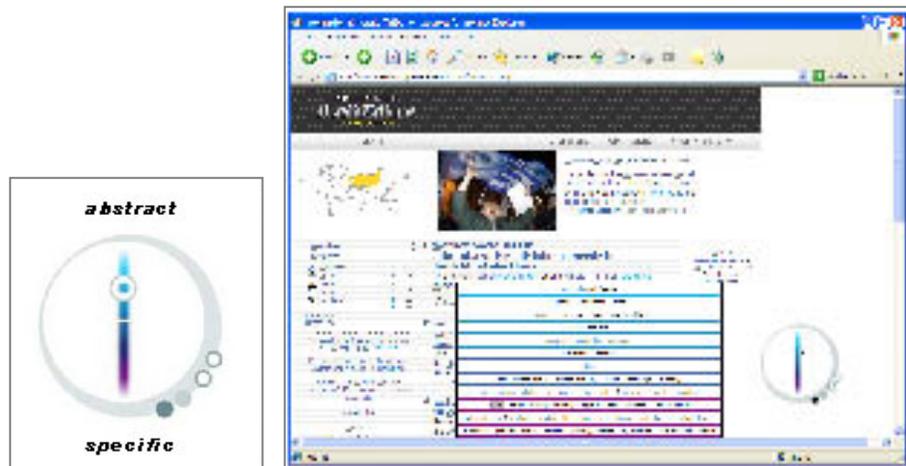
By applying an online thesaurus the stream of information of a news ticker may be continuously substituted. “

Already in 1992 it was obvious that this kind of displaying of text would meet its real challenges as a real-time medium e.g. for news tickers. Exactly ten years later, this idea could be realized with the help of the ZKM commissioning the projects of *General News* (which was at the same time contextualized as a meta art project under the name *General Arts* for the ZKM Mediaartnet website, see below).

This work was conceptualized as an online piece, which would allow now to modify *any* English or German website and substitute their words in real-time. The software posed due to the required real-time character complex technical challenges and was finally solved by a leading developer⁸⁹ of Google maps. *General News* relied on the linguistic software

⁸⁹ Steffen Meschkat

Wordnet⁹⁰ developed at Princeton for the semantic information about the words and their relationships.



GeneralNews, Metabrowser, 2003

Texts could now not only be altered according to the input of the author, but by a massive data-base containing the semantic knowledge of about 80.000 concepts at the time. The dominating link for General News was the one of a hierarchical taxonomy. Words were substituted either as synonyms, hypernyms or hyponyms.

With a simple slider the user can change the level of abstraction and investigate the emerging possibility spaces around a text. Synonyms preserve the original meaning more or less and indicate the variety of linguistic expressions. Abstractions (hypernyms) allow generalizations and possibly open a “big picture”. In the extreme they trivialize the content. Specifications (hyponyms) create similar but alternative worlds to the original text.

By a simple slider interface the level of abstraction could be altered of any text. With a slider the user can change the level of abstraction and investigate the emerging possibility spaces around a text. The system applies WordNet from Princeton University containing concepts with their semantic relations. These entries are displayed in a “Detail” Mode. The systems relies on an electronic lexicon (WordNet from Princeton University), which contains the various kinds of words, such as synonyms, hyper- and hyponyms. These

⁹⁰ www.wordnet.org

entries are displayed in a “Detail” Mode. The System analyzes the average level of abstraction for each original text and indicates the value on the scale.

GeneralNews is an interactive meta-browser substituting words on websites. The substitutions may be synonym, abstract or more specific than the original expressions. Thereby the generated texts were not only varying the original’s meaning, but could also create descriptions of “new” worlds. For example, if the original word contained the color “red”, it could be abstracted to color and if then the slider would be moved downwards, another color may be chosen, e.g. “blue”. So the “truth value” of the new description would actually be false⁹¹. Excerpted from the menu:

With a slider the user may change the level of abstraction of a text and may investigate the emerging possibility spaces around a text.

***Synonyms** preserve the original meaning more or less and indicate the variety of linguistic expressions.*

***Abstractions** (hypernyms) allow generalizations and possibly open a "big picture". In the extreme they trivialize the content...*

***Specifications** (hyponyms) create similar but alternative worlds to the original text.*

***Reflection of language** *GeneralNews* reflects language. When we speak or write, the manifoldness of the world is reduced to the linearity of language. The mechanism of *GeneralNews* enriches this linearity again with the semantic variety of possible other descriptions. These variations are displayed as animated text on the monitor. The perception of reading is changed, because words that have already been read may have already changed in the next moment. But during these automatic substitutions (without moving the slider) the meaning is preserved. For the user the possibility space around the text is quasi simultaneously visible.*

⁹¹ This is in continuation to the language experiments with abstraction hierarchies in the works of *Satzersatz* and *Muser’s Service*

Media and the construction of reality When applied to news-sites, GeneralNews alters the text-mediated reality, thereby roughly keeping the same meaning. However, as extreme abstractions the content is trivialized, since only abstract “objects” relate to each other. On a slightly lower level of abstraction, the general structures of the content may be extracted. In the other, specific extreme, we get various alternative stories about the original incident. Concerning the selection of information and its strategic presentation GeneralNews is, of course, exposed to the mechanisms of mass media communication.

Abstraction - a powerful invention Thinking in alternatives is important for progress since we develop new ideas by changing existing descriptions. Thereby abstraction as a thought pattern plays a major role, even though it is often used in the pejorative sense: "...too abstract". Yet, a plead for abstraction would include the following topics:

Language and the structure of knowledge: according to current cognitive theories we group our concepts in taxonomies. With these hierarchies we may inherit properties from the generic terms to the specific terms. This allows also deriving conclusions about the unknown. With the aid of abstractions we organize our knowledge and create a "big picture".

Science: According to our notion of science we need the understanding of general laws and structure, in order to create "good" i.e. probable prophecies. Most science is the attempt to formulate theses "laws" and thereby abstraction captures the variety of single cases and exceptions. Thus abstraction helps to organize the relevant information within the abundance of data.

Creative and artistic processes: Our creative thinking may be described as moving up and down between abstract, diffuse and intuitive goals and concrete actions following these intentions.

In the accompanying text “A Plead for Abstraction”⁹² more about these motivations was revealed:

The ability to abstract can only partially be realized with the contemporary means of computational linguistics and artificial intelligence. GeneralNews is the computational attempt to generalize the incoming information purely with the aid of semantics. Empirical, causal or even strategic insights may not be extracted by that method. Yet, as a meta-browser GeneralNews aims at triggering our fantasies - via abstraction.

General News, like *Satzersatz* aimed to overcome the linearity of writing. When speaking or writing the manifoldness of world is reduced to the linearity of language. GeneralNews enriches this linearity with the semantic variety of possible other descriptions and displays these.

GeneralNews also asked the question of “theoreticity” or how we generate theories from data and pointed to the approach of abstraction. It also offered a vision on the problem of information overflow, i.e. the question how we extract theories from the abundance of data.

The topic of abstraction as a tool to generate alternative solutions and thereby contribute to the progress is a underlying theme through all the artistic works of the author. It occurs in works like *Muser’s Service* (the creation of metaphors), in an article on a methodology for brainstorming⁹³ and is present also in recent works, such as *O-d-o.com*.

The software of *GeneralNews* was also published under the name *GeneralArts*, commissioned by the ZKM and running on the website of mediaartnet.org a media art archive website initiated by Rudolf Frieling and Dieter Daniels. The software here alters the descriptions of artworks and arthistoric texts, thereby generating an interesting space

⁹² Plewe, Daniela, *A Plead for Abstraction*, www.generalnews.de, 2003.

⁹³ D. A. Plewe *Function Analysis Diagrams as a Framework for Analysis and Conceptualization of Artworks: A Strategic Approach to Creativity*. Experiments in Pedagogy, National University of Singapore Centre for the Development of Teaching and Learning CDTL, p. 61-68, 2008.

of variations of the artworks by the other artists. And, it also generates “abstractions” from the art-work described in art-historian categories. *GeneralNews/GeneralArts* was awarded twice, and won the Transmediale price for artistic software and an award at the Film Winter Festival Stuttgart both in 2003.

Traversing Possibility Spaces and Decision Making

We saw how the early works are about the creation of possibilities, the next questions address how to traverse them, how to navigate through all the possible choices? How do we search for goals, how do we make decisions and do we get where we want to be, strategically and tactically?

As mentioned, in retrospect we use the notion of strategizing to subsume these activities related to define goals and think about the means to reach them⁹⁴. Strategizing therefore can be seen in the context of transgressing media possibility spaces and hypertexts and as becomes a metaphor for the ways of living and “navigating through the decisions spaces of life. The “possibility spaces” become “solution spaces”, to use a term from the pragmatic business lingo.

Search Engine for the Unknown and a Decision Support System

Inspired by readings in the philosophy of mind and John Searle’s lectures at the Free University in 1993 the guiding question for the next work circled around the way our mind creates a stream of consciousness. How does the mind associate and moves from one thought to the next, how do we generate new, creative ideas contributing to progress. Additional readings in linguistics and such as Friedhard Klix⁹⁵ and from cognitive science especially around problem solving and artificial intelligence, e.g. Herbert Simon⁹⁶ writings on problem solving.

⁹⁴ Comparrison of Brunken, Sun Tsu, von Clausewitz beyond the scope.

⁹⁵ Friedhardt Klix *Die Natur des Verstandes* (The Nature of the Mind, untranslated), Hogrefe, Goettingen, 1992

⁹⁶ Simon, Herbert.. *Models of Discover : Topics in the Methods of Science*. Dordrecht, Holland: Reidel, 1977.

The first prototype of *Muser's Service* was created 1994/5 as an offline hypertext system. *Muser's Service* may be considered as a search engine for the unknown. "How can there be a search engine if we do not know what exactly we are looking for" was the main motif for this work. How can there be a search engine, which would facilitate to describe a desired goal or solution if we only roughly can specify the properties, which this solution should have?

The answer was a system programmed in 1995/6, where users could collect associations and thereby create a body of associative knowledge – which –a new technology at the time – was actually internet accessible. Users could enter vaguely specified "goals" and define a set of preferred ways for the associations and the system would generate first a possible solution matching the vaguely defined goals and secondly generate a chain of associations towards this solution.

The limitations and deficiencies of knowledge representation capabilities of computer science at the time were implicitly subject to *Muser's Service* which asked if these insufficiencies could be turned into a useful and playful device. The concept was explained in the online menu:

Often computers surprise us in an unintended way, Muser's Service is meant to surprise: as an assistant for daydreaming it generates chains of associations. It connects an online program with an interactive installation. All entries of the users are captured in a net of associations which allows creating intersubjective chains of thoughts.

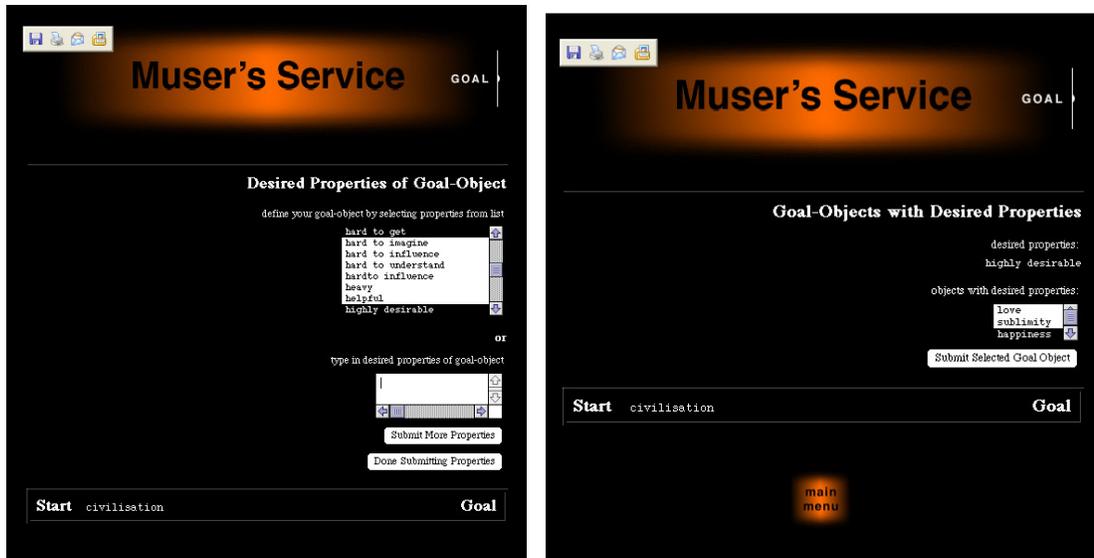


Muser's Service, Interactive Installation, 1995/6

The menu explained the procedures:

Muser's Service is an assistant for daydreaming. Internet users can store their associations (linked concepts, references to web pages) in a database. They can request the system to generate chains of associations out of this material by selecting start and goal concepts and the preferred methods of association. They can also guide the stream of associations towards a vaguely defined direction of thought. Muser's Service helps to find an appropriate goal with the aid of its thesaurus-inspired search engine.

Since users have to reflect on their "ways of thinking" when entering new data, the system focuses on the sensation of introspection. At the same time the program facilitates a kind of Computer Aided Brain-storming by proposing unfamiliar thoughts.



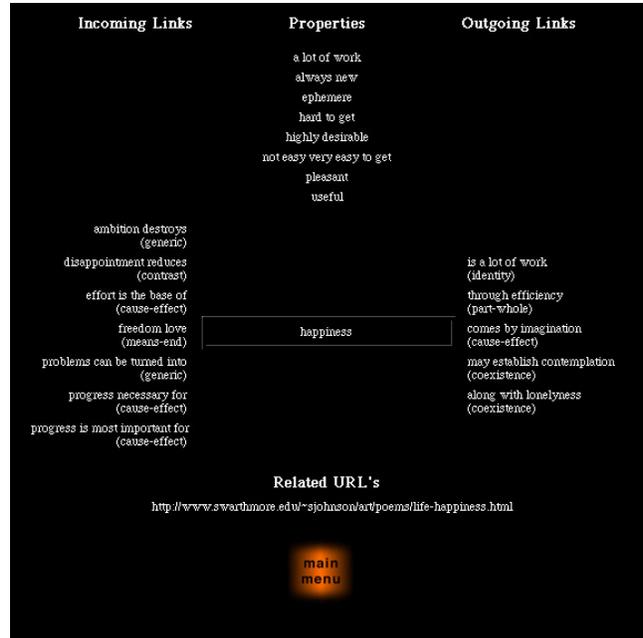
Muser's Service: Specification of an goal object and it's desired properties

From the menue:

***Vague Search** Users may guide the stream of associations towards a vaguely defined direction of thought. Muser's Service offers an matching goal with the aid of its Thesaurus-inspired search engine.*

***Thinking about Thinking** Since users have to reflect on their "ways of thinking" when entering new data the system encourage introspection. How do we get from one idea to the next? How do we develop new ideas? How can we structure knowledge units within a network? The classified links allow to characterize the desired path of thought.*

***New Connections of Thoughts** The program facilitates Computer Aided Brainstorming: Muser's Service proposes unfamiliar, new thought patterns e.g. when objects have properties in common.*



Muser's Service, Data Entry (object, relation, object syntax with classified objects and links)

Please insert: With new thought patterns we mean exploiting semantic hierarchies and try to construct metaphors, considered a core mechanism for the creative evolution of language⁹⁷.

The generated association chains are displayed on a horizontally stretched screen (see image of the installation above).

⁹⁷ See also Nietzsche., Friedrich, *The Birth of Tragedy from the Spirit of Music*

START: life

GOAL (SPECIFIED BY PROPERTIES): highly desirable, always new, hard to get

PREFERRED METHODS OF ASSOCIATION: cause-effect, means-end, contrast, action, similarity

RUN: *life* causes trouble creates uneasy feelings opposed to passion is an adventure without obedience often brings comfort is danger sometimes leads to despair can be lack of courage due to anxiety after disappointment about love and sexual activities with breasts are similar to udder belong to cows are part of nature opposed to civilization is a kind of efficiency is supported by machine made by humans with outstanding performance aiming for progress is important for *happiness*

Muser's Service: Example chain of Associations

Muser's Service is a strategic engine which generates potential solutions to a vaguely stated problem. It is also a dream machine as it explicitly referred to the notion the “stream of consciousness” in the sense of James Joyce⁹⁸ who had revolutionized the form of inner monologues in literature.

Muser's Service facilitated the disappearing of the bodily burdens, by being presented for the audience lying on a waterbed – “visitors are welcomed by synthetic warmth (37°)” degrees heated waterbed- and having read the generated brainstorming chains through a text to speech device to them. The subjectivity of brainstorming was reflected in two clocks displaying time in irregular intervals around the real time, thereby mimicking human's discontinuous awareness of time. **(PLEASE INSERT)** This installation has been widely exhibited and was reprogrammed by the ZKM in 2003 for the exhibition “Masterpieces of Media Art” curated by Peter Weibel.

The theme of abstraction occurs in several of my works. E.g. it connects *GeneralNews* to *Muser's Service*, where all notions and entries by the users were automatically classified (tagged) according to a thesaurus abstraction hierarchy (very similarly to Wordnet) and thereby new connections could be created automatically. The system could connect concepts, which no human had connected and thereby generate new “associations”,

⁹⁸ James Joyce, *Ulysses*.

actually Muser's Service had already explored and relied on the principles of making use of same semantic hierarchies. **(please copy from Footnote to here and compare in detail)** For example: is "nailpolish" was associated with "red" and "red" with "sunset", the system could associate transitively "nailpolish" with sunset. This kind of artificial connection could also be generated through abstraction hierarchies e.g. from red to colorful to another color, e.g blue. According to various metaphor theories (which is a complex tradition starting with antique rhetorics leading to contemporary theoreticians like Max Black⁹⁹ and linguists like George Lakoff¹⁰⁰, just to name a few) this is actually a way to generate metaphors. However, in the machine generated sense, these metaphors often are not semantically interesting. Computational linguistics is still today struggling with representing the semantics of texts and as we know, the aim of automatically generating creativity has faced currently unsurmountable difficulties, which the early pioneers, like Herbert Simon¹⁰¹ had not envisioned.

The motif of exploring possibility spaces was also dominant in the interactive installation *Ultima Ratio* based on a Artificial Intelligence decision-support system. *Muser's Service* was basically a collaborately created hypertext, with classified knots and classified links. The represented domain was mere association and imagination. The links between the nodes were as loose as one could imagine and any association was acceptable. The next work, actually the next works all kept more or less the hypertext structure, but introduced different kinds of links: logical relations. Subsuming in retrospect the various hyper-textual works, it seems that the strength of the links shifted first towards logical stringency and then – with transactional arts – towards power.

The most complex work by the author is the project *Ultima Ratio* from 1997/8. In *Ultima Ratio* the lexems or nodes of the hypertext are actually logical connections and follow the

⁹⁹ Black- Max, Metaphors

¹⁰⁰ Lakoff, George, *Woman, Fire and Dangerous Things*

¹⁰¹ Simon, Herbert..AI, Problemsolving..etc. so-called Frameproblem etc.

derivation rules of a complex Artificial Intelligence system¹⁰², which was modified for the artistic purposes. Instead of associations we have now the stringency of logical relationships. Therefore the name: *Ultima Ratio* translates from Latin into “the final conclusion” or “final argument/last resort¹⁰³”. And instead of the quest for new ideas we have the quest for the right decision, the quest, for the Kantian question: what should be done or in other words, how do we handle the ambivalence of omnipresence of contradictions and dilemmas. *Ultima Ratio* not only raises this issue for humans, but poses it in the context of Artificial Intelligence and the question, which practices of human rationality do we actually inherit in these systems.

For *Ultima Ratio* conflicts from real life and literature are reduced to their logical structures in order to process them in several functional and dysfunctional modes. A decision-support system from the field of AI has been implemented and modified, which permits those conflicts to be remodeled as pro and contra argumentations. The logical processes are displayed in real-time visualization as moving 3-D diagrams which simultaneously serve as interfaces. In the installation, this animation is projected onto an overhead disk. The images follow the observer's view by means of a eye (head-) tracker, whereby the diagrams are distorted in accordance with the observer's changing perspective. A chorus of computerized voices reading out the database provides a recitation of the dispute thus generated.



¹⁰² State of the art in mid 1990is and based on Dung’s non-monotonic reasoning approach

¹⁰³Merriam Webster Online Dictionary, <http://www.merriam-webster.com/dictionary/ultima+ratio>

Starting point for this work was the assumption, that life, but also aesthetic experience is often the experience of contradictions. We encounter dilemmas, paradoxes or other forms of ambivalence in works of art, and we are all familiar with the figure of the literary hero who - in an aporetic situation - must make his tragic choice. *Ultima Ratio* is based on a formalism which permits ambivalences to be represented in the form of argumentations.

In contrast to classical logics, several new varieties of formalism developed by Artificial Intelligence research tolerate inconsistencies and, for example, also permit exceptions to rules. Bits of information presented in the form of arguments¹⁰⁴ are no longer just casually arrayed alongside each other, but rather enable an automatic process of evaluation. The logical core of *Ultima Ratio* accesses a databank in which various types of - primarily literary - conflicts are stored as logical reconstructions. Installation visitors can expand this databank with new arguments, counterarguments, facts, and assumptions. The formalization of conflicts encompasses their interpretation and the explication of intuitions, a rather complex process generating and exposed to all the ambivalences of individual understanding and interpretation.

As the most prominent example for *Ultima Ratio* was chosen from Shakespeare's *Hamlet* and reconstructed logically the third scene of the third act. In the reconstruction, the conflict was phrased as: should Hamlet kill Claudius? The intuitive answer would be: Yes, since he wants to take revenge on Claudius who murdered Hamlet's father. No, because he believes that someone who is killed while praying goes to heaven. Fact: Claudius is praying. Therefore, do not kill him. What if Hamlet senses atheistic doubt (does heaven exist)? Conclusion: Then, yes, do kill.¹⁰⁵

One possible logical reconstruction would look like this:

¹⁰⁴ Toulmin, Stephen. *The Uses of Argument*. Cambridge: University Press, 1958.

¹⁰⁵ Plewe, Daniela *Ultima Ratio, Hamlet example* on Youtube, <http://www.youtube.com/watch?v=IaOPugDu99U>

Shakespeare
Hamlet Act 3, Scene 3

Hamlet. [approaches the entry to the lobby]
Now might I do it pat, now a' is a-praying-

Fact: praying(claudius)

And now I do 't [he draws his sword]and so a' goes to heaven,

Rule: in_heaven(Y) <- kills(X,Y), praying(Y)

And so am I revenged. That would be scanned:

Rule: take_revenge_on(X,Y) <- kills(X,Y)

A villain kills my father, and for that

Fact: killed(claudius,king)

I his sole son do this same villain send
To heaven...

Why, this is bait and salary, not revenge.

Rule: -take_revenge_on(X,Y) <- in_heaven(Y)

X wants to take revenge on Y if Y killed a person Z being close to X,
and the killing is not justified.

Rule: goal_revenge(X,Y), <- close(X,Z), killed(Y,Z), not_justified(killed(Y,Z))

Hamlet and his father are close to each other.

Fact: close(hamlet, king)

There is a conflict, if somebody wants to take revenge and can't.

Conflict: * <-- goal_revenge(X,Y), not_take_revenge_on(X,Y)

Hamlet killing Claudius is assumed false, but this may be changed in
the mode "remove conflict".

Assumption: revisable(kills(hamlet, claudius), false)

*Ultima Ratio, logical reconstruction in Programming Language Prolog
of the conflict "Should Hamlet kill Claudius?"*

The decision making procedures are following rational principles underlying the human decision-making process (according to the AI literature, such as Dung¹⁰⁶ et al) are

¹⁰⁶ Dung, Phan Min, On the Acceptability of Arguments and its fundamental role in non-monotonic reasoning, logic programming and n-person games. IJCAI, 1995.

implemented in the logical core of Ultima Ratio. For instance: don't believe a statement if it is opposite is true; don't draw conclusions from defeated information, etc.¹⁰⁷ With the help of these overriding deductive rules, the system can now carry out logical operations¹⁰⁸¹⁰⁹. This inherently rational deductive engine is used to produce various functionalities and dys-functionalities, all of which provide commentaries on the basis of argumentation as a method of dealing with conflicts¹¹⁰¹¹¹.

The artwork is composed of various functionalities, which are meant to “comment” each other. Some deviate more than others from the conventions of rationality. The menu offers the following options:

"Cascades of Doubt - Struggling Agents" reconstructs the internal monologues of the heroes (or agents). With "change agent," users can influence these characters by changing the rules and assumptions which form the basis of the heroes' beliefs. "Change world" revises the facts from which the program derives conclusions and generates logical alternatives to the original scenarios. "Remove conflict" offers suggestions as to how some conflicts could be avoided, in that other assumptions about the world are accepted as true statements.

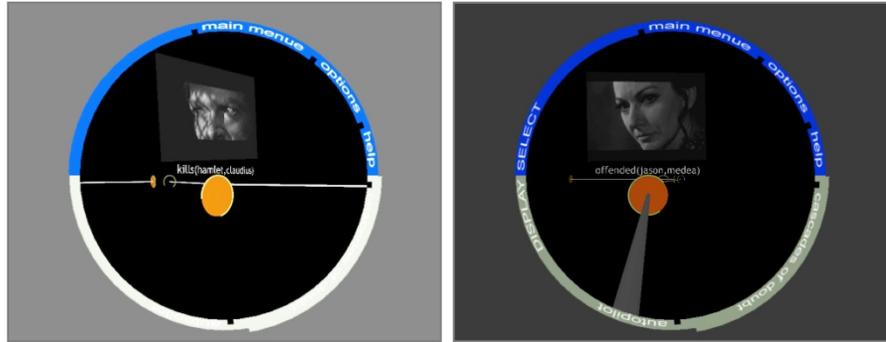
¹⁰⁷ Vreeswijk Gerard *Abstract Argumentation Systems*, Artificial Intelligence, Volume 90, Issues 1-2, February 1997, Pages 225-279, 1997.

¹⁰⁸ Pollock, John *Defeasible Reasoning*, Cognitive Science, Volume 11, Issue 4, October-December 1987, Pages 481-518, Elsevier Inc, 1987.

¹⁰⁹ Nute Donald, *Defeasible Logic*, 1996, later version published in: Lecture Notes in Computer Science, Springer, 200

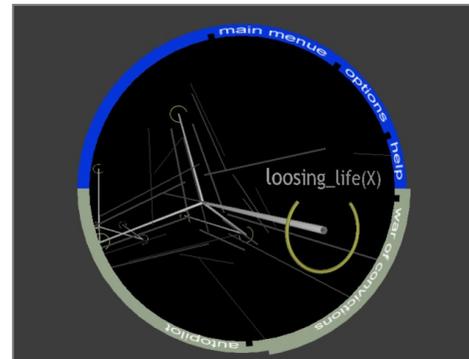
¹¹⁰ Plewe, Daniela A. *Ultima Ratio – Interactive Installation*, Catalogue of Ars Electronica, Springer 1998

¹¹¹ Reiter, Raymond, *A Logic for Default Reasoning*, in: Readings in Nonmonotonic Reasoning, Morgan Kaufmann Publishers Pages: 68 – 93, 1980.



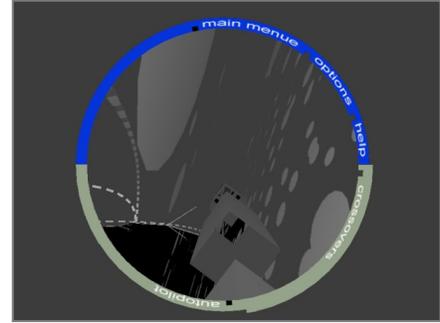
Examples of Cascades of Doubt: Hamlet and Medea

"War of Convictions - Arguments as Forces" elaborates arguments as forces operating among and between particles of knowledge. (This feature can be expanded to a multi- agent scenario.) The visitor selects a conflict from the databank, and the system provides him with the relevant arguments.



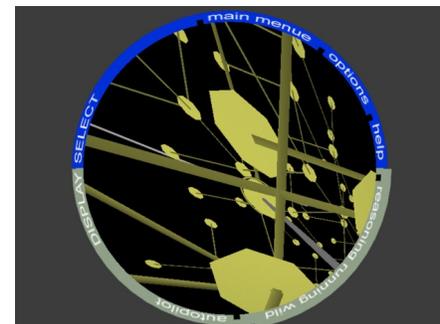
Example: War of Convictions

"Crossovers - Tracing Motifs" connects various plots and contexts according to their dramaturgical motifs. When rules occur in several contexts, the system creates a link between them and generates synthetic characters. Thus, the revenge-rule from "Hamlet" can lead to "Medea," in which a rival-rule comes into play just as it does in "Casablanca."



Screenshot Crossover

"Reasoning Running Wild - Counterarguments Forever Everywhere" illustrates the omnipresence of possible doubts.

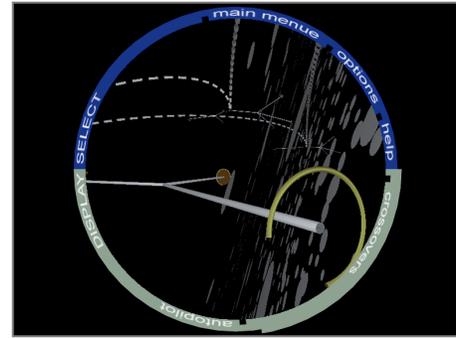


Screenshot Reasoning Running Wild

"Inversions - Negations with Negations" serves up logical Dada with inverted facts and rules. Does the complement of a logical inference also encompass the irrational?

"Modeling Virtues - Modifying Tools of Life" Various human qualities, mental states and dispositions are interpreted in the framework of formalism and can be brought up on screen. Courage = live wrong, but win. Despair = navigation in a reluctant environment.

"Global Ponderer - Continuous Automatic Reasoning" If the visitor does not wish to intervene, he may observe "Ultima Ratio" run its course on its own through the domain of ambivalence.



Screenshot Global Ponderer

All functionalities were displayed at the Ars Electronica and users could with the help of the team enter any conflict and let *Ultima Ratio* process them^{112, 113}.

The first three functionalities, one may consider as information visualizations, others are even more experimental, such as the agnostic and scepticist implementation of reasoning running wild.¹¹⁴

“Cascades of Doubt” is in a sense a critique of the medium film, and its “behaviouristic” display of the inner life of the protagonists. Film shows “moving skin” but not the inner struggles of a hero e.g. Therefore the visualizations of *Ultima Ratio* actually aimed at extending the medium film. In the prototype it would combine the logical constructions with excerpts from the respective movies. Ideally the semantics of the visual language were thereby “learnt” and then the meaning of the other free style functionalities could be grasped. The potential use of *Ultima Ratio* for stage based theatre was discussed in the essay “Beyond moving Skin”¹¹⁵

¹¹² Schroeder, Micheal, Plewe Daniela A, Raab, Andreas, *Ultima Ratio - A Visual Language for Argumentation*, Proceedings of International Conference on Information Visualization. London, UK, July 1999. IEEE Press.

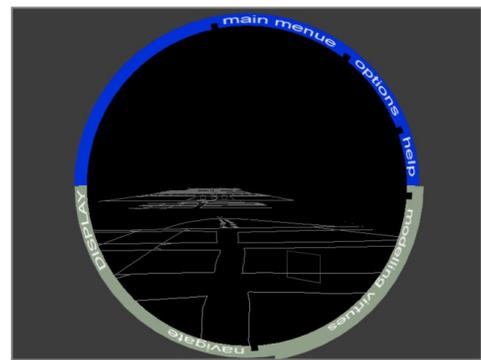
¹¹³ Schroeder, Micheal, Plewe Daniela A, Raab, Andreas *Ultima Ratio*, Proceedings of the Second International Conference on Autonomous Agents AA98, Minneapolis, USA, May 1998. ACM Press

¹¹⁴ Resembling J. Derrida’s infinite regress of the difference/ knowledge

¹¹⁵ Plewe, Daniela Alina. *Ultima Ratio as Media Theatre: Beyond Moving Skin*, in: Martina Lecker: *Global Heros, Theater zwischen Medialität und Theatralität*, Alexander Verlag Berlin, 2001

The motif of exploring the possibilities, non-linear media create, was also dominant in Ultima Ratio. In “Cascades of Doubt” the decision-making agent can explore with the logical engine counterfactual scenarios and thereby find the best solution for his dilemma. Here possibility spaces are not generated via associations, but follow the logical deductions valid in the simulation of the context’s rational possibility space.

The function “Global Ponderer” was extended by a function, which was called “*Plans of Life*” and displays a set of drawings displaying life’s in their epic view.



Example: Plans of Life

This approach of trying to represent the long-term dimensions of life with the new media we will come across also in the piece *Presenter* and *O-d-o.com*.¹¹⁶

¹¹⁶ Grau, Oliver (ed). *Media Art Histories*, MIT Press, 2007

Grau, Oliver, *Virtual Art: From Illusion to Immersion*, MIT Press, 2003

Lange, Barbara (ed.). *Geschichte der Bildenden Kunst in Deutschland - Vom Expressionismus bis heute* (History of Fine Arts in Germany - From Expressionism till Today), PrestelVerlag, 2006,

Wilson, Stephen. *Information Arts - Intersections of Art, Science, and Technology*, MIT Press, 2003

Grau Oliver. *Virtuelle Kunst in Geschichte und Gegenwart*, (Virtual Art in Past and Present), Reimer, 2002

P. Gendolla, N. M. Schmitz, I. Schneider (eds.). *Formen Interaktiver Medienkunst, (Forms of Interactive Media Art)* Suhrkamp, 2001

Frieling, Rudolf, Daniels, Dieter Medien (Media) – Kunst(Art) – Interaktion (Interaction) *Die 80er und 90er Jahre in Deutschland - The 80ties and 90ties in Germany*, Springer Press, 2000

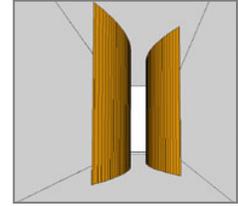
Bernhard. Dotzler, *Die Hamlet Maschine* in: *Kaleidoskopien*, 1998

For the exhibition of *Ultima Ratio* at the Lehmbruck Museum in 1998, the database of conflicts was extended by examples with a local reference to the German area of the Ruhrgebiet, which underwent drastic social changes from a coal mining industry towards a knowledge based economy. The exhibition was part of a cultural policy to support this transformation. **Please** insert *Ultima Ratio* was awarded twice, once for the Artistic Software at Transmediale 2001 and once for in the category interactive art at Comptec Art Dresden, 1998.



*Main Menu of Ultima Ratio, Solo Exhibition at Spiral Gallery,
hosted by Canon Art Lab, Tokyo 1999*

Ultima Ratio was accompanied by an additional installation called *Gateway*, which addresses the topic of conflict and ambivalence in a different and non-logical way serving as a kind of introduction to the main exhibition. This gate was meant to represent a decision situation which the visitor has to pass. In contrast to *Ultima Ratio*, the theme of ambivalence is here treated in an irrational manner: the entries of the database of *Ultima Ratio* were transformed into sound snippets and were presented acoustically without any conflict resolution attempt.



Gateway, 1999

On both sides, the words "yes" and "no" (together with other graphical elements) appeared alternating, while conflicting sentences from the database from *Ultima Ratio* are acoustically presented. The visitor enters the gate and thereby prompts acoustic and visual changes while he is moving through (being tracked by sensors). If the visitor rests at some point, the formulation of the conflicts become more general, again through substitution in an abstraction hierarchy, like in Satzersatz/GeneralNews: here not automatised but by previously entered data from the artist.

Images become bigger and sound gets louder the narrower the gate becomes. Inside it, the density of information increases; various acoustic layers were superimposing each other. Not only conflicts, but also “principles of rationality” as a meta-level were represented by different voices of the sound-collage. “Yes” and “No” were projected on the closest point of the gate, but they could alter the side they were displayed. If the user would try to approach one side, he would here the respective arguments perhaps, but all of a sudden the sides would change and a “Yes” would become a “No” and he would hear the counterarguments, all in a chaotic, complex superimposition of noise bits. This works was realized in collaboration with the sound artist Martin Carle.



Gateway, Spiral Gallery, Tokyo, 1999

Sooner or later the user would have passed the closest point of the gate, i.e. the the decision point and experience all of a sudden silence. For an instant the dilemma was overcome, but, however, when leaving this gate-installation already new voices indicated the rise of future conflicts.

A short note on related works: in the late 1990 several media art were developed around the text and image relationship and navigating images through the medium language. Bill Seamon's work of the mid 1990ties circled around the notion of association and the generation of stream of consciousness. These works and Muser's Service were several times exhibited in vicinity. However, other than Muser's Service and also Ultima Ratio, Bill Seamen was always open to an element of random in his work and for the generation of text and image chains as he coins the term of "Recombinant Poetics"¹¹⁷. *Muser's Service* empathized the cognitive dimensions of streams of consciousness, *Ultima Ratio* the logical connections between pieces of knowledge (or in postmodernist terms lexems"), both deliberately never made use of random algorithms.

Seamen also researched what he calls "Hybrid Architectures/Media Information Environments" a genre, which was perhaps one of the predominant paradigms of the media art in the 1990ties. In this field one the most accomplished works were created by the Swiss/German artist group Knowbotic Research. Their visionary approaches e.g. in the project "Dialogue with the *Knowbotic South*"¹¹⁸ and its interactive visualization as 3D spaces were inspirational for the conceptualization of Ultima Ratio. Comme ils l'écrivent sur leur site internet, les artistes de Knowbotic Research appréhendent ces visualisations de connaissances comme des formes de transcodage, une notion introduite par Lev Manovich et qui se réfère à l'influence que les formats technologiques ont sur les pratiques culturelles¹¹⁹.

¹¹⁷ Bill Seamen, *Recombinant Poetics The Thoughtbody Environment*", a Minima Magazine, 13, New Media Actual Art , 2005

¹¹⁸ <http://www.medienkunstnetz.de/works/dialogue-with-the-knowbotic-south/video/1/>

¹¹⁹ Manovich, Lev, *The Language of New Media*, MIT Press, 2001

The Quest for Goals

As mentioned earlier, the nature of non-linear media and their intrinsic feature of decision-points led to the question of the ultimate goals, which one should pursue. Transgressing any field raises the question of its direction, the ultimate goals. There is a second thread of works, which address the questions of the ultimate goals and values to be followed for – and we adopt here inspired by the American constitution the value of happiness - the “pursuit of happiness”. There is a second thread of works, which addresses the questions of the ultimate goals and values to be followed for this pursuit of happiness. What are the final destinations, in order to transgress possibility spaces? How do we define them, how do we reach them, first strategically and then more detailed, and broken down into single steps, therefore tactically^{120 121}.

My very first interactive installation *Electronic Sunset* from 1986 in collaboration with Ingo Schuetze and Martin Zawadski addressed the issue of goals in the context of the romantic motif of the unfulfilled wish and desires in the form of a paradoxical interactive installation. The romantic motif of sunset is interpreted with a light dimming bulb and a sensor. The visitors enter the space, and the sunset is triggered by a sensor.



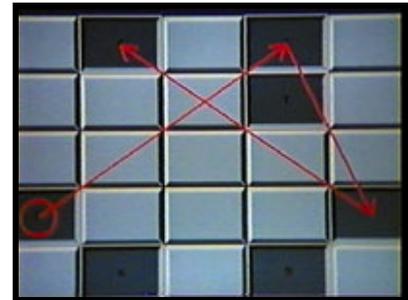
Electronic Sunset, Interactive Installation 1986

¹²⁰ Michel Certeau makes a useful distinction between these two notions:

¹²¹ Michel De Certeau - Tactique vs. stratégie. (L'invention du quotidien, 1/ Arts de faire, 1e partie, « Une culture très ordinaire », rééd. Gallimard/Folio Essais n° 146, 2002, p. 11. De Certeau, p. XLVI

They pass through a narrow space with a lamp that lightens some pictograms of a sunset. While approaching, the light is fading so that the visitors reach the pictograms¹²² surrounded by darkness, and the unaltered drawings of the sunset (from the package of the electronic device used) becomes invisible.

The interactive installation *What You Say Is What You Get* commissioned in a commercial context for Sony in 1993 explored the possibilities of generating artworks by describing them in abstract, formalistic form upfront and then let the engine generate the respective movies. Its interface is a touch screen with a matrix. The vertical axis offers content; the horizontal axis offers formal criteria for the synthesis of videos.



Touch-screen interface of What You Say Is What You Get, 1993

After defining a dramaturgy within the given parameters, the computer synthesizes the relevant elements of the show. Through the medium language the user specifies in abstract terms the dramaturgy of the visual sequences. In the realization for the Zeil-Gallery in Frankfurt there were three Video sources, a bass sound (for lower frequency) transmission for the floor, and a laser-show. The categories of content were e.g. “nature”, “city” “people”, “flora”, fauna” and others; formal criteria were “slow”, “rapid”, “dark” “light” . More elaborate dramaturgical notions would have been possible, but were not considered suitable for the rather commercial context of this project.

¹²² The pictogram on the left says: “Lightness – The Time Lamps”.



What You Say Is What You Get,

Interactive Multi Media Installation for Sony at the Zeil Gallery Frankfurt, 1993

This approach resembles other later works such as Bill Seaman's text/video works¹²³ and "Soft Cinema"¹²⁴ by Lev Manovich and Andreas Kratky from 2003. Other than Muser's Service where users could specify the goals and the ways how to reach them, here the users would specify in abstract terms the desired dramaturgy and the system would (ideally) deliver it.

This work plays a major role, as it already anticipates the ideas on we call strategic creativity, a creativity which operates on the meta-level and is more about directing, than executing art-works. It relies on the use of meta-knowledge or tagging of information, which allows then to operate with this classified knowledge. This feature also existed already in *Muser's Service* and *Satzersatz*.

Another application of this principle is the basis of a hyper textual work with video snippets, called *Value Browser*. Here again language serves means to access audiovisual content. This CD Rom Project relies on the software by Florian. Thalsofer which allows tagging video-files by keywords. By clicking on keywords the user navigates through the video data bank, thereby creating an interactive narration. We applied this software and created a film to navigate through TV commercials by the brand values of the advertized

¹²³ Bill Seamen, <http://www.billseaman.com>

¹²⁴ Soft Cinema – Navigating the Database, 2005

products. We “equate” somehow the advertisements of products with the cultural values they refer to.

In the interactive video-hypertext the commercials are classified according to the brand-values of their products. In advertising brand values are a highly strategic means which defines what the product/brand actually represents. All marketing and communication activities have to be aligned to these brand values and therefore define the activities of the involved agencies.

Many brands claim traditional and values for their products. “Freedom”, “happiness”, “courage” are examples of how marketing strategies refer to cultural, often even philosophical and ethical, values. Guy Debord draws the connection between the role of mass media marketing in the present and the role of religions in the past. “The fetishism of commodities reaches moments of fervent exaltation similar to the ecstasies of the convulsions and miracles of the old religious fetishism¹²⁵.

As a consumer one is surrounded by these omnipresent offers. Value Browser allows reaching the desired values – and thereby shows how closely e.g. a product like peppermint chewing-gum and cars may be connected – e.g. by a notions of “freedom”, “strength” and “fun”.



ValueBrowser: Menu of with sequence of TV commercials, 2002

¹²⁵ Debord, Guy, *Le Spectacle*, Thesis 67, <http://library.nothingness.org/articles/SI/en/display/18>

Here, we have the interaction between the medium of language and the visuals and language serves as a “directing” medium for the assemblage of events. *Muser’s Service* relied on language and tagging to assemble word-chains, here language is used to assemble a stream of videos.

Overcoming the Fog of War and Epic Media

Defining and reaching goals, decision-making, all these activities are threatened by the complexity of information, which we are always exposed. Not only in an age of information overflow, but generally as human beings, we are challenged to tackle, what military strategist Carl von Clausewitz¹²⁶ called the “fog of war”, **Please INSERT** in other word, the complexities happening simultaneously during the battle. Despite the amass of information and inconsistencies, we have to keep the overview in the action of the implementation of a strategy. We ask, if many applications of media are actually strategic uses of media in this sense.

The then following visualization projects and the visual interfaces aim to facilitate keeping the “big picture” and introduce what I would like to call an “epic media”. **Please insert:** We do not only want to view them as purely applied works or data visualizations, because they aim to overcome the in my eyes dominant micromanaging of social interactions supported by media. I believe the artistic perspective on the condition humana can e.g. offer an *epic view on interactions* and knowledge management. I would like to embed with works like Presenter the daily activities into the epic timespans of our life. I believe, that an approach towards epic media media

Even though some these works seem to be applied, they relate to my overall topics very much. Some of them aim to address not only the idea of keeping the overview during the battles of life, but also provide the experience of power and leadership itself. In this sense, they have- at least for me- an artistic intention behind their pragmatic use.

This may resemble the double strategy, which we will observe much more clearly than here in the field of transactional arts, where artworks do have a value for use and yet, have an

¹²⁶ Comparison Von Clausewitz, Sun Tsu and Brunken

aesthetic dimension and artistic intentions. I am aware, that the artistic intention alone may not qualify something to be an artwork (this directs us to the complex discourse around “what is art?”). And i am are not claiming that the following pieces are artworks, I decided to integrate them, since they were very relevant for the development of transactional arts.

A very special kind of survey over the various scientific activities in a moment of time was envisioned in the early conceptual work “*The International Congress for Knowledge Producers*” from 1992. A congress of „knowledge producers“ from the most disparate scientific fields were meant to present their current research in the original scientific terminology to the public as a synopsis of state-of the art research activities. Location should have been any large auditorium or lecture hall, decorated as a kind of arena at the bottom. Aim was to create a clash between the terminology and the public understanding one the one hand and to create a panopticum of scientific specialization as an art experience. The concept was published by Olaf Arndt in the BBM art-group magazine, but was never realized¹²⁷.

Similarly to *GeneralNews* this work tries to create a convergence of knowledge and at the same time creates some sort of “aspectual”¹²⁸ understanding, as most probably nobody in the audience would have the knowledge to completely follow the specialized talks in all the scientific disciplines. The simultaneity of specialization and the division of labor was meant to become an experience.

Trendstreamer is a conceptual sketch of a kind of a mini war-room for the living ambient. It was originally conceptualized as an experimental data-visualization for the German Department of Public Statistics and consists of info-graphics on context sensitive displays. Underlying assumption is, that statistical information is an “image of the world” and “could be used as visual element in the living space like any other decoration or piece of art., e.g.

¹²⁷ This works resembles the project “Blackmarket” of Hannah Hurtzig , however, in ICKP did not involve any interactivity by the audience, but was meant as a pure spectacle of science.

¹²⁸ See Alinity Project in the practical transactional art section , as an aspectual art work.

landscape paintings”¹²⁹. Trendstreamer is a real-time info-channel for the display of abstract information.



Trendstreamer, Conceptual Sketch, 2002

The system reacts to the conversation in the room and provides a matching context, i.e. additional information. Context-sensitive Walls equipped with speech-recognition devices facilitate this application.

The users have the choice between various modes: “Data flow” according to a pre-structured dramaturgy and serve as decorative background. Due to speech-recognition the system catches words of the conversation and displays related information. The data are provided by a regularly updated databank of the German Institute of Statistics. In the “reality-check” functionality users may ask questions to the systems indicated by the phrase “reality check” as a query mode. In the mode “caption” the semantics of the graphics are revealed by an additional layer explaining the various curves, fields, columns etc. All graphics can be decoded by their legends at any time.

Aiming at the display of trends of trends one may observe the quests of the subscribers the system can display feedback effects, which may capture and distribute insights of what is called “Zeitgeist”. This system was conceptualized before Google had made the statistics of the global quests accessible to internet users.

A similar work of data-visualization was conceptualized for trains in Germany. *Trainspotter* is a mixed media approach overlaying the images from a camera in the front

¹²⁹ Daniela A. Plewe, Portfolio, www.danielaplewe.com

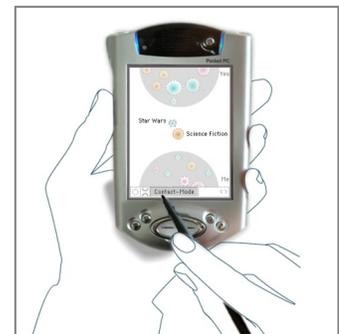
of the train with info graphics. Data concerning economy, politics and culture are displayed.



Trainspotter, Conceptual Sketch, 2002

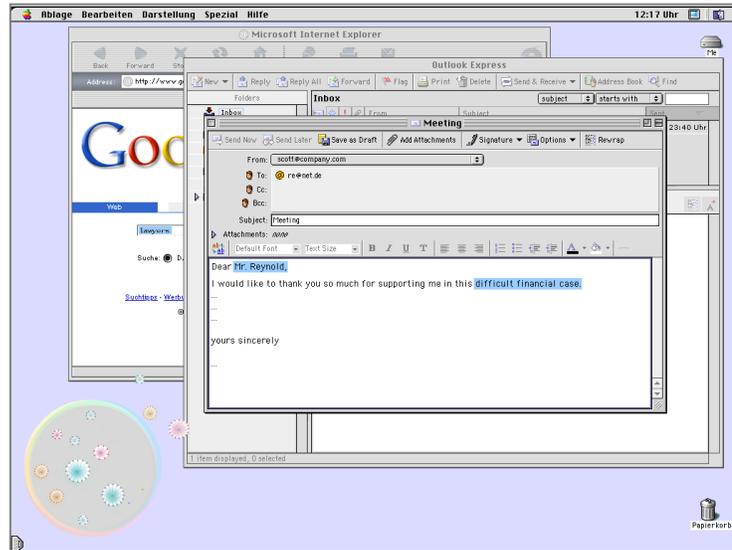
The passenger may learn about trends and specificities of the region. A menu supports his specific interests. The images are mapped on real-time video from a camera in the locomotive of the train. This localized information in real-time may be seen in the tradition of augmented and mixed reality research.

Reflecting the values and goals of the personal life was subject of the project *Presenter* conceptualized in 2002 as a “mobile application for the social networking of nomadic professional individuals” it was a networking tool before social networking sites such as Facebook were omnipresent. ¹³⁰ The user’s past, present and future plus his intentions and future ambitions could be represented on a vertical time axis. As a mobile application it supported all sorts of social activities, networking and strategic activities.



¹³⁰ Daniela A. Plewe, Portfolio, www.danielaplewe.com

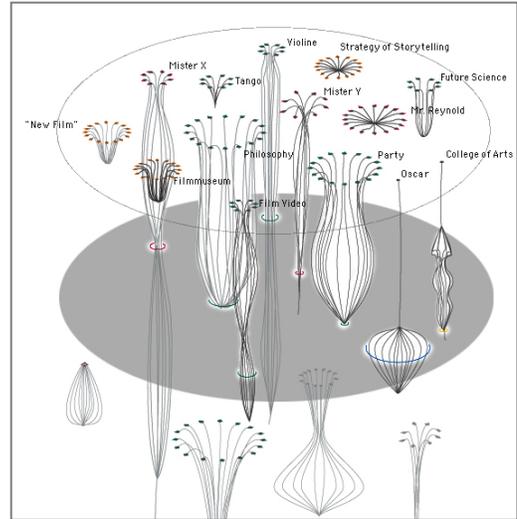
Presenter tracks the various activities of an individual on this computer and generates a kind of Curriculum Vitae, or in today's terminology a user profile.



Presenter: automatic keyword recognition on desktop

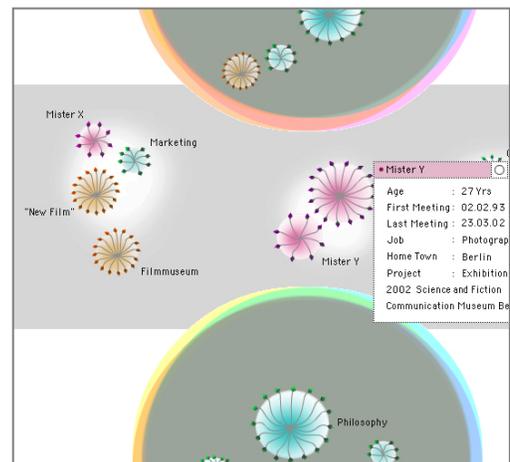
“Over time it collects the “facettes” of the personality and displays them on a 3D visualization on the user’s desktop”. In today’s terminology we would say, *Presenter* automatically generates a profile via key word recognition, similarly to google mail these days. The user may also track big live spans and thereby gains an epic view¹³¹ on his life (“cylinder of the past”). The width of the traces indicate of the intensity of the involvement with the person, subject or project at the time.

¹³¹ See section on “epic media” in this thesis.



Presenter: representation of “me” and my past interests in people, topics and projects along the vertical time-axis

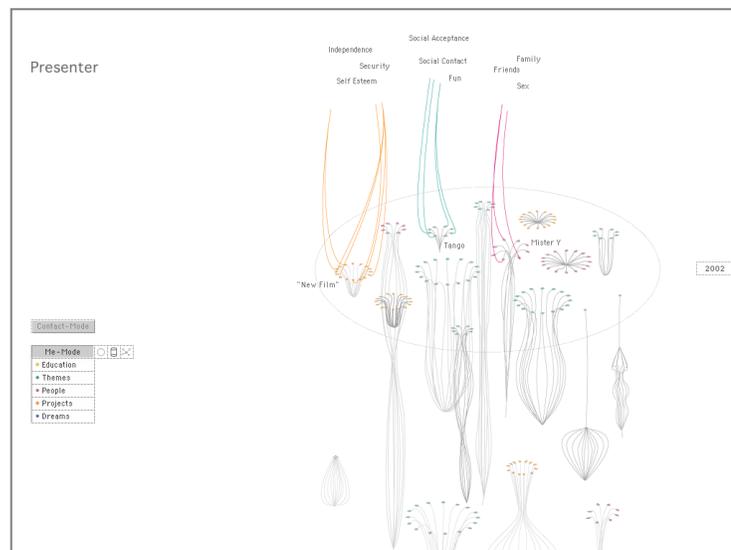
Presenter then allows for a “context sensitive presentation of individuals” The system presents individuals according to the other person they are interacting with and tries to detect relevant issues. “Like a good host at a party *Presenter* connects users by detecting their common interests or other aspects that may be of interest to them. E.g. when introducing two strangers both running *Presenter* on their handhelds the system discovers “conversational objects”, such as friends in common, shared interests etc.”¹³²



¹³²See www.danielaplewe.com, Portfolio

The system was meant to rely on speech recognition technology from the field of computational linguistics need ideally to be implemented. Issues of privacy should be considered in order to facilitate professional and personal networking.

In many aspects this work can be seen as a predecessor of the O-d-o platform described in the section on new transactional arts, especially for the interface design. It also is a preparation for the following works, which reflect explicitly the aspects of strategizing, leadership and developed interfaces supporting strategic activities.



Presenter: strategic alignment with personal goals

Trying to provide to the audience the perspective of power and leadership were subject of a video installation concept giving the audience the position of a speaker in front of a big and affirmative crowd. For the exhibition “Making things Public” at the ZKM curated by Bruno Latour and Steve Dietz the *The Secret of Power* is and interactive video installation for a distributed exhibition offering the user the perspective of a strategist. Assumption is that the “nature of strategy is the secret of power”¹³³ Developing strategies in order to reach goals in social environments is a *conditio humana*.(SHALL WE KILL

¹³³ Daniela Plewe, Portfolio, www.danielaplewe.com

THIS SENTENCE HERE..? REDUNDANT) Strategies are never completely “made public” and they may only be known from the centre of power.



The Secret of Power, Conceptual Sketch, 2004

The visitor approaches a “centre of power”, which is a panoptical projection on a podium with a microphone. The closer he gets to the microphone an audience becomes visible expecting a public speaker.

“In this moment the visitor discovers himself among the people faded in. He recalls this short irritation a few minutes earlier when entering the exhibition his sight was directed upwards. Apparently a picture must have been taken while he was surprisingly looking up. In the moment he realizes that he unwillingly became object of a strategic manipulation, he himself is in the focus of attention and may become a strategic actor. What his feelings and intentions in that moment are, only he knows...”¹³⁴

Technically the audiences of the three locations for which the exhibition was conceptualized (Karlsruhe/Germany, Prague/Czech Republic and Graz/Austria) are visually merged to one audience, always including the current “speaker” in the local power-centre. In case the visitor decides to talk into the microphone, the audience disappears and he overlooks the images of the various surveillance cameras (which unnoticed take the pictures of the audiences entering the exhibition spaces) in a panoptical view. Whatever he

¹³⁴ See Daniela Alina Plewe, homepage , www.danielaplewe.com, Portfolio

may communicate from this privileged position is transmitted via an audio channel to the camera-locations so that he may interact with the unknowing visitors in the different contexts. When starting to communicate strategies we act through speech. The visitor experiences the transition from the inner, intentional perspective of the strategic subject to the outer one reaching the public – i.e. the role of a leader. Despite the official confirmation this installation could not be realized due to budget issues and the already existing work *GeneralNews* was finally presented in the online exhibitions.

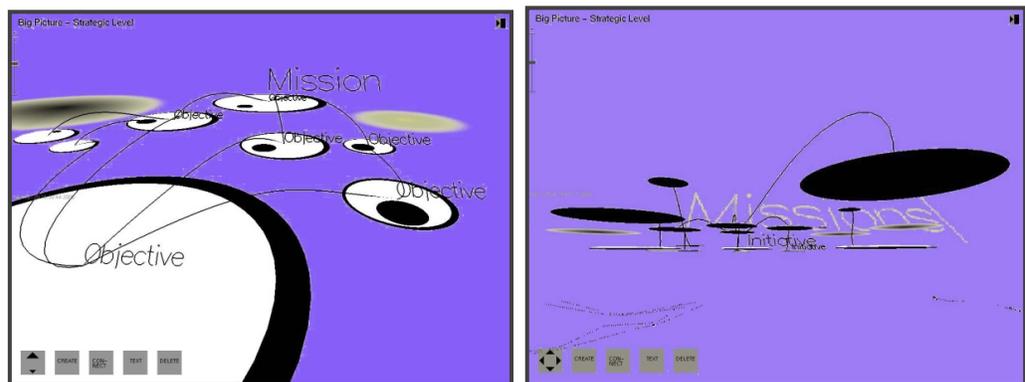
Strategizing and developing goals in the context of large organizations was also reflected in an applied project with quasi the same name, *Big Picture Project*. Even though not an artwork in the narrow sense, the *The Big Picture Project* plays an important role in my works as it is the first work, explicitly addressing the business context. It explores new ways of visualizing data from Business Intelligence Software in order to facilitate intuitive interfaces for the leadership of large organizations. This research is embedded in a wider field of applying interactive methodologies and technologies to the business world. In a first step we want to e.g. investigate and develop media supported forms of leadership and strategic management. A first prototype supported by an EU grant in 2005, was developed to support activities like information gathering, planning, decision making, formation of alliances, the communication of strategies as well as their implementation. The system allows representing and editing and updating visually and in real time the strategic and the processual levels of an organization. On a higher level it aggregates the data towards an animated “Big Picture” resembling an abstract expressionist painting which may be used as an intuitive interface to the underlying complexities.

Theoretically the prototype¹³⁵ was inspired by the well established and widely implemented managerial method called Balanced Scorecard by R.S. Kaplan from the Harvard Business School and D. P. Norton¹³⁶. This methodology allows capturing organizational strategies in the form of “Strategy Maps” by Kaplan and Norton.

¹³⁵ <http://www.danielaplewe.de/bigpicture/>

¹³⁶ Kaplan, Notorn The Balanced Scorecard – Translating Strategy into Action, 1996

Big Picture aims at facilitating leadership. Guiding an organization poses various tasks to its leaders. Internal information, as well as external data need to be considered in order to form strategies within a dynamic environment. Approaches within organizational, economic, political and military studies have addressed this issue. In the field of Business Intelligence Software numerous products are available which rarely provide a visual intuitive overview to the leadership. Their so called dashboards (often analogue to tachometers) are visualizations, which aggregate complex data and display them in order to facilitate decision-making for the leaders. Dashboards and similar visualizations allowing the assemblage of relevant information to a “big picture” and present it in an intuitive, easy to grasp way of display.



Big Picture, Screenshots from Strategic Level, 2005

With the Big Picture Project we wanted to investigate, if new media could offer – especially for the next generation of leaders - other approaches to the visualization of complex data facilitating relevant actions. In a first step the possibilities of interactive media should be explored for the development, communication and implementation of organizational strategies. We will explore interactive representations to display the strategies, as well as their underlying initiatives and processes.



Screenshots from Strategic Level – Main Menu

The first software prototype was developed by the author during a grant of the European Union hosted at the V2 Lab in Rotterdam 2005. Following Kaplan and Norton, mission statements, goals, objectives, measures and targets may be drawn out and labeled. External factors may be represented as well as vague options which are still to be discussed. Despite being a notational-tool the deriving visualization facilitates the communication. In later versions the system may represent all sorts of strategically relevant information.



Big Picture- Process Level

The strategy maps are embedded in a 3D landscape in order to display other contexts and generate different views of the organization. Beneath the strategy-level other levels may

creativity. Like a conductor, they may imagine to run and govern virtual organizations. This could take place in an immersive, interactive environment or a distributed web-application. Big Picture could be developed as a medium to make the “beauty of management” an experience¹³⁸.

Future work could integrate the different viewpoints of the involved stakeholders possibly inspired by the scenario simulation by Michel Porters Five Forces¹³⁹ approach to strategic industry analysis. Though *Big Picture* may not exactly been seen as an artwork, it was conceptually an important step stone towards transactional arts, since it addresses the same aesthetic themes, as my other works, but in a business context. It is about an interface to power and the managing the spheres of influence towards ones goals. One of the interesting insights was that the field of strategic management is dealing with exactly the same topics as I was artistically –often labeled as leadership, strategic management, crisis management etc I also learned, that strategic questions are not only an issue for individuals, but also for organizations.

And most importantly, the perhaps trival insight, that in the business world the overall goals tend to be defined as gaining profits – in other words , money - inspired for the idea of transactional arts.

Artistic Consequence and Next Steps: Introducing the Element of Money

The themes an artist addresses evolve over time. With my interests in possibility, decision-making, overall goals, the meaning of life and the ways to reach it I became more and more interested in a field, which seemingly has not much to do with art: economics. Reading German philosopher and sociologist Georg Simmel’s *Philosophy of Money*¹⁴⁰ was a major

¹³⁸ See also Falk Heinrich’s thoughts on the beauty of interactive works as a experience of flow, in the Chapter on “Interaction as Transaction”.

¹³⁹ Michael Porter, Five Forces

¹⁴⁰ Simmel

source of inspiration for my increasing interest in economic interactions. I saw in the concept of money, as Simmel describes it, the perfect match for my interests: for Simmel, money is a means to an end and has always a teleological character serving our goals in life. It is also a meant to capture and manage possibilities, or in other words, it is all about possibility spaces.

In the following section, I want to try to investigate, what happens if we introduce the element of money. We will first introduce the essentials of Simmel's thoughts and then ask, if we can draw an analogy between interaction and transaction. What will happen, if the interactions become transactions in art?

The nature of money is mere "potentiality" and a means to reach goals- Simmel calls it it's teleological quality. These two characteristics link money with the motifs of exploring possibility spaces and the quest for goals which were subject to the artistic practices mentioned before.

Simmel writes on the potentiality of money:

A great fortune is encircled by the innumerable possibilities of use, as though by an astral body, which extend far beyond the employment of the income from it on the benefits which the income brings to other people. The German Language indicates this by the use of the word "Vermoege" which means, to be able to do something, for a great fortune. These possibilities, only a small number which can be realized, are nevertheless put to account psychologically.¹⁴¹

He continues:

The pure potentiality of money as a means is distilled in a general conception of power and significance which becomes effective as real power and significance for the owner of money.¹⁴²

¹⁴¹ Simmel, p 218

¹⁴² Simmel, P 208

In the next sentence, he even compares money with the reception of artworks and draws an analogy to the possible interpretations of an artwork and the potentiality of money.

It is like the attraction of a work of art, which is produced not only by its content and the associated psychological reactions, but by all the accidental, individual and indirect complexes of feeling that it makes possible.¹⁴³

In the section on money as “The Unlimited possibilities for the Utilization of Money” in Chapter 3¹⁴⁴ he had introduced money as the purest example of a tool:

Here, finally we reach the point, at which money reaches its place in the interweaving of all purposes...All economic transactions rest upon the fact, that I want something, that someone else own, and that he will transfer it to me, if I give him something, that I own that he wants¹⁴⁵.

A bit further down he states, that money is a means to pursue goals indirectly, and one may add - either in collaboration and/or in any other form of interaction with others.

Money is the purest form,..., it is an institution through which the individual concentrates his activities and possessions in order to attain goals that he could not attain directly. P210

Therefore, “money mediates, is not the possession of the objects, but the exchange of objects”¹⁴⁶. For Simmel money is a universal tool to reach ones goals in ‘teleological sequences, (so called “Zweckreihen”). Throughout our lives we are embedded in chains of

¹⁴³ Ibid: Simmel in the section : Money in the sequence of purposes, The Philosophy of Monney, p. 208 , http://books.google.com/books?id=WpY3cCFiJHgC&pg=PA218&lpg=PA218&dq=Simmel+potentiality+of+money&source=bl&ots=PQWQblgD8n&sig=Mb5FYzMnXY4viaz9F5XSZ4G52P8&hl=en&ei=c-pCTMWXE9GaOMDxraEN&sa=X&oi=book_result&ct=result&resnum=1&ved=0CBIQ6AEwAA#v=onepage&q&f=false

¹⁴⁴ Sub-chapter: Money in the Sequences of Purposes, section 3,

¹⁴⁵ Ibid p. 210

¹⁴⁶ Ibid p. 211

transactions in order to pursue our goals and fulfill our desires in collaborate ways. Money helps to facilitate and organize the gives and takes which are necessary to reach ones goals.

In this sense money becomes a universal tool which apart from the limitations of other currencies of exchange has an abstract character and allows for its universal application. Simmel even compares the universality of money even to the universality of language:- everything can be expressed and done with it, it is a neutral facilitator, some may say a medium. And as a medium, it may become a tool to archive our goals. If media are tools or not, is another discussion, which we won't pursue here further. A related debate could also be the question in which sense technology is an instrument¹⁴⁷.

From Interaction to Transaction

So introducing money seemed an interesting option as it is in the extension/prolongation of my artistic interests. With this introduction of an economic element we enter of course the economic sphere. Interaction as transaction seems a promising formula and we want to make point out a parallelism between the two concepts. Let us start with the concepts of interaction and interactivity, then construct the analogy with an intuitive understanding of transactions (the economic definition is following in the next section) and then turn to the various positions in the context of interactive art, so called relational art and their relation to society.

Interaciton is a core concept of the discipline of sociology. In the sociological discourse the notion of social actions refers to any action that takes into account the actions and reactions of other individuals and is modified based on those events. Social action is a concept developed by Max Weber that explores interaction between humans in society. The concept of social action is used to observe how certain behaviors are modified in certain environments. The impact of social action is clearly seen in the development of norms and customs and everyday interaction between people.

¹⁴⁷ See also Heidegger's instrumentalistic view on Technology

Social action is an action that regards the reactions of other people. When the potential reaction is not desirable, the action is modified accordingly. Sociology is the study of society and behaviors and therefore operates on the core of the concept of interaction. Humans vary their actions according to social contexts and how they will affect other individuals.

Weber introduces two forms of social actions, which are only indirectly related to interactions with other individuals: *rational actions* (also known as value-rational ones, *wertrational*) are actions which are taken because they lead to a valued goal, but with no thought of its consequences and often without consideration of the appropriateness of the means chosen to achieve it (the end may justify the means). Instrumental action (also known as value relation, goal-instrumental ones, *zweckrational*) are actions which are planned and taken after evaluating the goal in relation to other goals, and after thorough consideration of various means (and consequences) to achieve it.

Both of Weber's approaches to social actions have at the core a motivational aspect of an individual pursuing its goals. This finite question of the meaning of life or the ultimate values to be pursued is ultimately an issue related to transactional arts and I already addressed this aspect in relation to artworks referring to strategizing and the pursuit of happiness. In the chapter on Bourdieu I will come back to a sociological perspective on interactions which will also provide the theoretical core on transactional arts.

To sum it up, from a sociological perspective, interactivity is the relationship between two or more people who, in a given situation, mutually adapt their behavior and actions to each other.¹⁴⁸ In the next step we refer to approaches from a field that studies interactivity not only between people, but between humans and technology.

For the technological context the notion of interaction is closely linked to the core notions of Cybernetics, such as, *system*, *input*, *output* and *feedback-loops* as introduced by Norbert

¹⁴⁸ Jensen, J.F. *Interactivity: Tracing a New Concept in Media and Communication Studies*, *Nordicom Review*, 19(1), 1998, p 188

Wiener¹⁴⁹ in 1949. Today's interdisciplinary field of Human Computer Interaction (HCI) stands directly in this tradition and explores the dynamics between humans and machines thereby aiming to improve interactive systems and their interfaces. It is informed by disciplines such as computer science, behavioral sciences and design.

Norbert Wiener had defined cybernetics as the science of transmitting messages between man and machine, or from machine to machine (or animal) and how people interact with machines through a controlling device, such as a steering mechanism.¹⁵⁰ Cybernetic systems were conceived to be made up as information flows between differently constituted entities like humans, computers, animals, environments. The idea of the flow of information was established as the principle explaining how organization occurs across and within multiple hierarchical levels. The basic feedback loop in a cybernetic system can be varied to become "reinforcing" (input and output increase with each circle) or balancing (input and output may compensate each other).

In the discourse of economics the notion of interaction also occurs, but more marginally. As a social science that studies the production, distribution, and consumption of goods and services social interactions may be considered at the core of the discipline, though the notion of transaction is much more common. Economics, qua social science inherits some of the interest in social interactions and the principle of exchange is considered the fundamental mechanism. Modern economics may be viewed directly in the tradition of cybernetics as economies are considered as systems with highly interrelated forces.

In order to pursue the transition from interaction to transaction we will draw an analogy between the cybernetic feedback loop and the economic principle of exchange. The cybernetic loop feeds real time input into an equation and thereby allows adapting either in a reinforcing or balancing way.

¹⁴⁹, Wiener, Norbert *Cybernetics: Or the Control and Communication in the Animal and the Machine*. Paris, France: Librairie Hermann & Cie, and Cambridge, MA: MIT Press. Cambridge, MA: MIT Press, 1948.

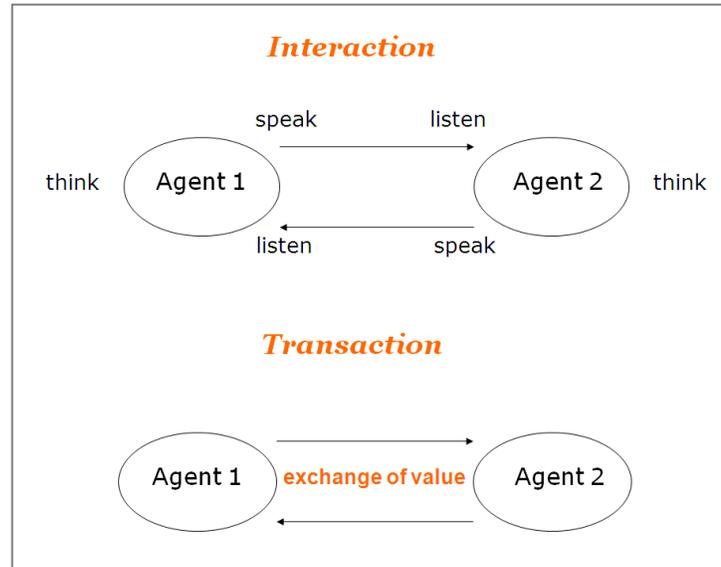
¹⁵⁰ Ibid

In any sort of exchange two agents, both deliver some sort of value to the other side and therefore receive another value. Similarly in the cybernetic loop both sides receive and “send” - to speak in information theory terms. There may be differences in the detailed mechanics of a negotiation of prices and the interdependencies of technical systems, but we find the similarities between both contexts sufficient to claim the analogy between interaction and transaction.

Following the cybernetic paradigm a basic form of interaction is defined by Chris Crawford as a kind of cybernetic loop in which two agents (human or systems) reciprocally listen, speak and think¹⁵¹. This simplistic concept of interaction based on the sender-recipient model matches well with the understanding of a cybernetic loop. Wiener himself had introduced cybernetics as the studies of systems, between various agents, which could be either humans only, or humans and animals – or humans and humans or machines only. He emphasized not so much the agents of cybernetic systems, but the systems themselves, as dynamic mechanisms, with feedback loops and therefore dynamically changing depending of the previous interactions of the elements.

We will use the cybernetic nature of both, an interaction and a transaction to draw a parallelism between the two.

¹⁵¹ Crawford, Chris What exactly is Interactivity, The Art of Interactive Design, No Starch Press, 2002. p.3-12.



Interaction and transaction as cybernetic loops

We will see that the charm of many transactional artworks is constituted by the variations of these transactional constituents. Agents may vary: in the artistic context the transactions may involve as agents the artist, the audience, but possibly also subcontractors or contingent market-participants. The settings of the transactions may also be different. Some may be located within the art world, others involve the commercial domain and some artists even create their own marketplaces. In this sense transactional arts stand in the tradition of art-forms taking place in the social sphere.

In the field of Human Computer Interaction there is a variety of approaches to interactivity, which all are compatible with the above outlined cybernetic loop structure. The field of HCI inherited a lot of its terminology from information theory and cybernetics it- self.

Inspired by those schools have scholars of mass media defined interactivity as an “expression of the extend that, in a given series of communication exchanges, any third or later transmission (or message) is related to the degree to which previous exchanges referred to even earlier transmissions.”¹⁵²

¹⁵² Rafaeli , *Interactivity, From New Media to Communicaton* , in: R.P. Hawkins, J.M. Weimann, S.Pingee (eds) *Advancing Communication Science, Merging Mass and Interprersonal Process*, pp110-34, Sage, 1988

Don Norman's prominent design-oriented approach makes a strong assumption of goal oriented rationality. Similarly to the management of economic resources in management theory his so called "decision circle model" (from 1988¹⁵³) elaborates a feedback loop¹⁵⁴. The last step would be considered the "Return of Investment" ROI in the business context.

1. *Form a goal – the environmental state that is to be achieved.*
2. *Translate the goal into an intention to do some specific action that ought to achieve the goal.*
3. *Translate the intention into a more detailed set of commands – a plan for manipulating the interface.*
4. *Execute the plan.*
5. *Perceive the state of the interface.*
6. *Interpret the perception in the light of expectations.*
7. *Evaluate or compare the results to the intentions and goal.*

The limitations of this circle are that our goals are not always elaborate and that we actually "explore the world in order to discover our goals."¹⁵⁵ We are not always capable to fully articulate our goals and intentions in advance of an action. It also does not take into account the spontaneity and non-rational and/or non-goal-directed behavior of humans.

In her overview on the research traditions on interactivity Sally McMillan¹⁵⁶ divides the various approaches into three categories: user-to-user, user-to-document (static information) and user-to-system (involving a strong algorithmic component) interactivity. She differentiates then these groups by the degrees of freedom and control of the human

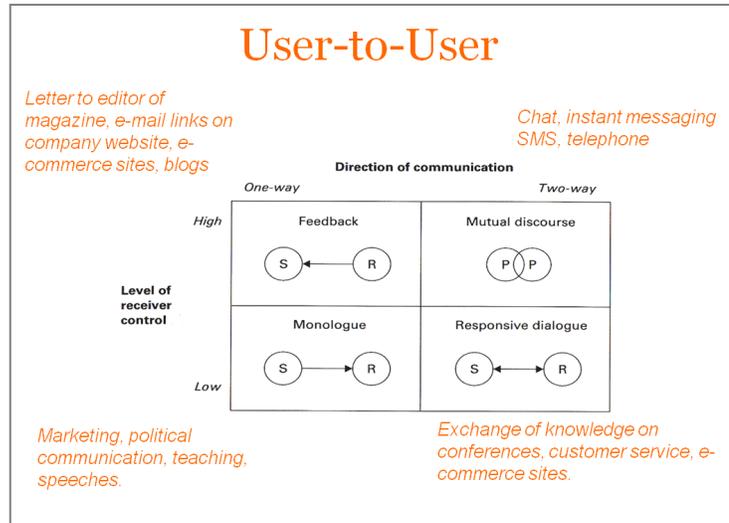
¹⁵³ Norman, Don A. *The Psychology Of Everyday Things*, Basic Books, 1988

¹⁵⁴ Norman, Don A. *User Centered System Design – New Perspectives on Human-Computer-Interaction*. Hillsdale, 1986

¹⁵⁵ Kirsch, David, *Interactivity and Multimedia Interfaces*. in: *Instructional Science* 25:2, 79-96, 1997

¹⁵⁶ McMillan, Sally "Exploring Models of Interactivity from Multiple Research Traditions: Users, Documents, and Systems" in *Handbook of New Media*, 2002.

and the machine agents involved¹⁵⁷. The general notion of freedom may capture exactly the aspects of spontaneity and potential irrationality, which Norman's decision circle did not emphasize. She takes also into account the direction of communication.



User-to-User Interaction according to McMillian

In the context of transactional arts user-to-user interactivity seems the most relevant form since transactions tend to be between people. The level of receiver control may vary from low to high and the direction of the communication may be one-way or two way. In the user-to-document interaction the nature of the audience may vary from passive to active. With documents she refers mostly to content which is more or less actively accessed via media. The difference between user-to-document and user-to-system interactivity is only gradual. System interaction involves a higher degree of algorithmic activity, whereas in document interactivity the emphasis lies mostly on the information retrieval.

User-to-document as well as User-to-system interactivity may also play a role in transactional media: users may have to pay for content, therefore there will be transactions be involved in user-to document forms of interactivity. And, systems, such as current

¹⁵⁷ McMillan, Sally , Downes, Edward G., *Defining Interactivity: A Qualitative Identification of Key Dimensions* - New Media & Society, 2000.

electronic trading platforms in the financial sector are beyond human capabilities of interaction and facilitate electronic trading based on algorithms.^{158, 159}

McMillian's categorization also takes into account the developments around the evolution of the classical information theoretical concepts of sender and feedback. Rice¹⁶⁰, e.g. had suggested, that “fully interactive media imply that the sender and receiver roles are interchangeable.” And even stronger claimed Rogers¹⁶¹ that “interactivity is the degree to which participants in a communication process can exchange roles and have control over their mutual discourse”.

McMillian ends with the category of “flow” interactivity, as category of systems, which offer a highly transparent (meaning “non-disturbing”) interface and high user control. The flow state is an optimal state of intrinsic motivation during an activity, where the person is fully immersed in what he or she is doing and McMillian adapts this concept in her category of user-to system interactivity. She positions “flow” as the highest and most desirable form of interactivity in her classification. The concept of flow was also introduced by Mihaly Csikszentmihalyi in the field of psychology as a measure of happiness and was then adapted to human computer interactions.

In which way can interactive media artworks be beautiful? Interesting enough, when Falk Heinrich is asking the question whether interactive systems actually can be beautiful and if so, how, he also draws to the concept of flow. The beauty of interactive systems lies in providing the experience of flow. Beauty in interactive art in relation to flow. is seen as an

¹⁵⁸ Urstadt, Bryant *Trading Shares in Milliseconds* –MIT Technology Review, <http://www.technologyreview.com/computing/24167/>, Jan/Feb 2010

¹⁵⁹ This kind of online trading (also called “frequency trading”) accounted for 73% of all US equity trading volume. in 2009. See also Iati, Rob, *Trading Software Espionage*, Advanced Trading, <http://advancedtrading.com/algorithms/showArticle.jhtml?articleID=218401501>, July 10, 2009

¹⁶⁰ Rice, R. E. *New Media Technology – Growth and Integration*, in R.E. Rice (eds) *New Media: Communication, Research and Technology*, Sage 1984, pp 33-54,

¹⁶¹ Rogers, E. M. *Diffusion of Innovation*, Free Press, New York, 1995

emergent phenomenon that manifests itself as a result of the interplay between already experienced ‘flow’ during the interaction with the system and the idea of the interactive artifact’s potentiality. Heinrich¹⁶² elaborates on “performative beauty”

“The perception of beauty in interactive situations can therefore be described as the experience of potentiality that emerges from the interplay and the coherence between external stimuli (the digital system’s output) and the participant’s own actions. Or in other words: the sentiment of (performative) beauty arises from the coherence between an understanding of the artificial interaction system’s functionality and the sensory experience of ‘flow’ in the participant’s ongoing interactions. However, as we saw in the preceding section, beauty as pure potentiality is re-inscribed (via re-entry) into the visceral aesthetic process in the form of more or less concrete expectations of possible¹⁶³ interactions.”¹⁶⁴

The user may experience an experience of beauty by transgressing possibility spaces provided by an interactive system. He continues:

“It is not the construction of a perfect and permanent avatar that creates the sensation of beauty (even though that is the overall objective), but rather the vast field of possibilities that gives space for ongoing experimentation and reflection. The sentiment of beauty is still a contemplative judgment; its purpose is to scrutinize potentialities that create the platform for concrete possibilities of interaction.”¹⁶⁵

¹⁶² Heinrich, Falk, *The Aesthetics of Interactive Artifacts: Thoughts on Performative Beauty*. In Proceedings of the 2nd international Conference on Digital interactive Media in Entertainment and Arts (Perth, Australia, September 19 - 21, 2007). DIMEA '07, vol. 274. ACM, New York, NY, 58-64.

¹⁶³ For the difference between potentiality and possibility see Gille Deleuze *Difference and Repetition*, 1994.

¹⁶⁴ Heinrich, p. 2

¹⁶⁵ Heinrich, p. 63

We will discuss the question if and how transactional arts as interactive arts can be beautiful in one of the next chapters.

At first sight transactional artworks may seem to offer often fewer possibilities than interactive art, since there is often only one kind of transaction occurring within each work. However, when artists create for example market places as artworks, the kind of possibilities transactional art becomes a candidate for the performative beauty in Heinrich's sense.

How are all these approaches concerning interactivity in relation to technology embedded into society and the question for social change? Jean Baudrillard and Hans Magnus Enzensberger discuss the relationship between technology, social change and the underlying communication model in the "Requiem for the Medias"¹⁶⁶. Enzensberger aims to modify the current communication method for the consumers of the system, thus allowing for feedback and reciprocity from the general public. Baudrillard claims, that the current communication theory is obsolete since it emphasizes itself as a transmitter-message-receiver system, something that will not allow for social change. Enzensberger, a Marxist, believes in the Marxist idea that the producers in media are a powerful few and the consumers are the general public. Consumers must change the capitalist media technology and liberate it so that they can socialize the technology and produce their own messages. This is an interesting statement today, in the age of user generated content when consumers become producers, so called prosumers as Chris Anderson¹⁶⁷ states. Baudrillard actually feels, that even if users contribute, there still will not necessarily be social change, as it is still a sender-receiver model as underlying structure. For Enzensberger media has an inherent technological structure. By advancing this technology, it allows for social change. For Baudrillard however, media are not something technological, they are a "form or social division". Changing the technology does therefore not allow for social change.

¹⁶⁶ Baudrillard, Jean, *Requiem for the Medias*, in: *From For a Critique of the Political Economy of the Sign*, 164–184. Trans. Charles Levin. Saint Louis, Mo.: Telos Press, 1981.

¹⁶⁷ Anderson, Chris, *The Long Tail*, 2008

Are these arguments applicable to transactions? An interesting question is, if asymmetries in the cybernetic circle exists also in transactions as we may consider transactions as forms of social division. One may argue, for transactions things seem to be different, since even there may be an asymmetric relationship between the parties of a transaction: one side may have the negotiation power, is in the better position than the other and thereby dictates the conditions. This party the plays the dominant role, such as the sender in the sender receiver model.

However, a normal business transaction, unlike the interaction in the described communication situations, actually does require an agreement from both sides. And, as we claim there seems always a chance to come up with a new and creative solution for a deal, so to speak outside of the anticipated channels. So we could perhaps consider the deal as part of the technology, which can be altered, while being created. However, every deal is embedded in a legal system, which perhaps could be considered in this analogy as the overall framework (in Baudrillard terminology “code” or better “technology”?). However, if we generalize deals even further, any kind even of the changes of the legal frameworks will be based on some sort of negotiation and agreements.

So we feel, transactions can be viewed as “media for social change” since they are exactly about explicit negotiations between parties. The outcome is supposed to benefit in some way both parties. Are these deals always just for the involved parties? Probably not. But it would lead to far to include a discussion on moral justice in the economic sphere within this research.

The idea of interactivity has also been reflected in the field of aesthetics, especially in the context of interactive art. Jean-Louis Boissier points out, that interactivity in interactive art is not just about the access to the work, but an “partie integrante de loeuvre”. Relations occur on various levels in a quasi metaphorical or ideological sense and occur within the

algorithmic of the program, the dramaturgie, the images and between the communication machines etc.¹⁶⁸

Nicolas Bourriaud introduces the concept of relational aesthetics as “set of artistic practices which take as their theoretical and practical point of departure the whole of human relations and their social context, rather than an independent and private space”¹⁶⁹. He emphasizes the human-to-human aspect and refers to artworks, which explicitly create social events, e.g. such as artists preparing meals for the audience (e.g. Rirkrit Tiravanija). “Art has always been relational in varying degrees, i.e. the factor of sociability and a founding principle of dialogue¹⁷⁰” Bourriaud writes. Art is genuinely situated in the “ways of living and models of action within the existing real, whatever the scale chosen by the artist.”¹⁷¹ Transactional art is subject to relational aesthetics: transactions may be seen as “models of actions” within (or even across) various social contexts.

Similarly, when exploring the aesthetics of interactive Jean-Luc Boissier¹⁷² claims that relations (and relationships) genuinely determine the form of interactive art, which is despite its openness to all sorts of particular states is uniquely determined by the functionalities it offers”. The “particular states” one may interpret not only as the social constellations involved but also as possibility spaces, a feature of non-linear media referring to the sum of all variations and states of the technical system in which the artwork

¹⁶⁸ Jean-Louis Boissier *La relation comme forme*. L'interactivité en art est co-édité avec le Centre pour l'image contemporaine, Saint-Gervais, Genève, la Haute école d'arts appliqués, Genève et l'Université Paris 8 (online version <http://www.ciren.org/ciren/productions/livre/index.html>).

¹⁶⁹ Bourriaud, Nicolas, *Relational Aesthetics*, Le Press Du Reel, 1998, 2002 (English translation) p 112.

¹⁷⁰ Ibid. p. 15

¹⁷¹ Ibid p.13

¹⁷² Boissier, Jean Louis *La Relation CommeForme – Figure de l'interactivite*. Online excerpt, <http://www.ciren.org/ciren/productions/livre/index.html>

may appear. Lev Manovich addressed this idea with the concept of “variability” as a genuine characteristic of new media works.

Bourriaud does reflect on the “place of artworks in the overall economic system, be it symbolic or material that governs contemporary society”¹⁷³.

“Over and above its mercantile nature and its semantic value, the work of art represents a social interstice. This interstice term was used by Karl Marx to describe trading communities that elude the capitalist economic context by being removed from the law of profit: barter, merchandizing, autarkic types of production, etc. The interstice is a space in human relations which fits more or less harmoniously and openly into the overall system, but suggests other trading possibilities than those in effect within the system. This is the precise nature of the contemporary art exhibition in the arena of representational commerce: it creates free areas, and time spans whose rhythm contrasts with those structuring everyday life, and it encourages an inter-human commerce that differs from the “communication zones” that are imposed on us. The present day social context restricts the possibilities of inter human relations all the more, because it creates spaces planned to its end¹⁷⁴.”

The function of art is to secure realms of exploration of possibilities outside of the rules of the system, which he equates with, interesting enough, “outside of the laws of profit”. “The general mechanization of social functions gradually reduces the relational space”¹⁷⁵ and this is why the role of art as a field of experimentation or for the exploration of possibility spaces is so important. Art offers “arenas of exchange” from where values can be transferred into society. Contemporary communities may assemble during exhibitions in order to explore these experimental spaces.

¹⁷³ Bourriaud, Nicolas, *Relational Aesthetics*, Le Press Du Reel, 1998, 2002 (English translation) p.16

¹⁷⁴ Ibid p.16

¹⁷⁵ Ibid p 17

“The exhibition is the special place where such momentary groupings may occur, governed as they are by differing principles. And depending on the degree of participation of the onlooker by the artist, along with the nature of the works and the models of sociability proposed and represented, and exhibition will give rise to an “arena of exchange”. And this “arena of exchange” must be judged on the basis of aesthetic criteria, in other words by analyzing the coherence of its forms, and then the symbolic value of the “world” it suggests to us, and the image of relations reflected by it.”¹⁷⁶

The metrics applied to these “arenas of exchange” are aesthetic criteria, of course. So how does Bourriaud envision this value transfer out of this realm into the real world, in which relational art as a “political project”¹⁷⁷ is situated anyways? Bourriaud’s answer is by interaction, or to be more precise, by participation between the audience as social individuals within the arena and their outside social life. He implies a kind of role-shifting which is actually the mode of transfer from the artistic arena to the outside of society¹⁷⁸.

All this indicates, that transactional art as we try to define them, are a relational art form, embedded in the social realities and thematizes within “the arena” the activities of transactions. Artists here allow to exchange within the arena only. This compares to a game, where there is play money handled out. The more challenging works however attempt to transgress this arena of exchange, by exchanging with the outside world, often indiscernible and under-cover (as a form of mimicry). There will be art, which without any pointers is merged into its outside world and yet, is a possibility space as Bourriaud understands art. One may say, a Trojan horse in the form of art as a gift to society¹⁷⁹ And, the exchanges will make the notion of value an explicit part of the artistic reflection and

¹⁷⁶ Ibid p 18

¹⁷⁷ Ibid p. 17

¹⁷⁸ We will refer to this idea in the practical part and the various Alinity companies, which encourage the transgression of various social contexts by the audiences.

¹⁷⁹ see “Alinity” project in the practical part of this PhD.

work. Transactional art reflects these two realms: the inside and outside of “the system” in an explicit manner.

Analyzing the Polish novel writer Gombrowicz, Bourriaud explores what the “relational form” could mean:

“So, for Gombrowicz, our “form” is merely a relational property, linking us with those who reify us by the way they see us, to borrow a Sartrean terminology. When the individual thinks he is casting an objective eye upon himself, he is, in the final analysis contemplating nothing other than the result of the perpetual transactions with the subjectivity of others¹⁸⁰.”

Bourriaud uses here the notion of transaction in a rather metaphorical way, not referring to the values implied. He states that in relational aesthetics, the *“artistic practice thus resides in the invention of relations between consciousnesses”*.¹⁸¹

Art in the 20th Century had changed from objects to processes and concepts and towards the public space¹⁸². Art became processualised, conceptualized and publicized. In relational arts, not the process, nor the concept, or the location in the public sphere extend the notion of art, but the social relations themselves become the aesthetic object. Transactional artworks in our sense create these kinds of relations by making use of the most ubiquitous relations between social entities: transactions, defined as the exchange of values. This leads us directly to the relevant concepts from economics and other disciplines which we will need for constructing and understanding the idea of transactional art.

¹⁸⁰ Ibid, p 22.

¹⁸¹ Nicolas Bourriaud, Relational Aesthetics, p. 22

¹⁸² Celia Peirce, The Interactive Book: A Guide to the Interactive Revolution, Alpha Books, 1997, p. 29.

PART II: WHAT ARE TRANSACTIONAL ARTS?

Let us recall: inspired by Simmel's "Philosophy of Money" we wanted to explore, if the introduction of the element of money would allow us to pursue and modify the artistic topics, which we already had explored in early works. Those topics circling around human life as a way of tackling possibilities and searching for and questioning the ultimate goals of life.

With the introduction of money, we asked, if we could draw an analogy between interactions and transactions. We then explored and presented various accounts to both notions and discovered no reason, why these two concepts should not relate to each other in an analogue way.

Our working hypothesis now is that transactional arts could be art forms, where some sort of value is exchanged. For this matter we will explore the various historical approaches to our core concepts, such as exchange, value and various deconstructions of the term value. We will need to know about these rather complex concepts from the discipline of economics, in order to analyze artworks and test the idea for this new label of transactional arts.

The critiques of the classical economic approaches stress especially the social aspects and relations which exchanges come with. These approaches will show us, that the purely economic definitions would perhaps be not enough for analyzing artistic exchanges of value. For example, the economic theories somehow struggle, if not to say, they mostly neglect, aspects like e.g. aesthetic value.

Therefore we were looking for a unifying theory, which could help us, to express the various intuitions about value, exchange, the social implications of exchanges and even aesthetic aspects.

We believe we found a good solution for this problem in Bourdieu's approach with the various forms of capital. This framework allows us not only to capture the various intuitions of economic value (qua economic capital), but also makes it very easy, to reflect on aesthetic and cultural aspects in exchanges. Roughly speaking, we may say, it also

captures the concerns of theoretician like Marx, Bourdieu and Debord, who insist there are other aspects of value at work, than merely the traditional understandings of production and use value. The description of cultural capital as Bourdieu introduces it, seems a very relevant approach for our tasks. Subsuming value theories into Bourdieu's framework is not a trivial step and has been discussed in the literature¹⁸³. Sociologists and economists have pointed out, that Bourdieu tends to use the concept of capital interchangeable with that of value (e.g. a labor theory of)¹⁸⁴. It has also been highlighted, that the accumulation mechanism for economic capital and other forms are different from each other and that therefore the notion capital has a quasi metaphorical element in the non-economic context¹⁸⁵.

The in depth reception of this discourse could be subject for further research not only in economics, but also in our interdisciplinary field of transactional arts. Since we did not see any inconsistencies which would prevent this conversion of traditional value approaches towards as theory of conversion of capital in Bourdieu's sense, let's assume that value theories and Bourdieu's forms of capital are not fundamentally contradictory and therefore can coexist as analytical instruments, as which we will need them to understand transactional arts.

In the then following chapter of this part we want now start to apply the analytical instruments. We will start with a paradigmatic example from Marcel Duchamp's early works, which in our view would perfectly qualify as transactional art. Following this example we want to raise some structural questions concerning this art-form: shouldn't art be detached from the economic sphere, and should artists really make money as part of

¹⁸³ Delsaut, Yvette.. *Bibliographie des travaux de Pierre Bourdieu, 1958-1988*. Paris, Centre de Sociologie Européenne du Collège de France, 1988.

¹⁸⁴ Ed. Brown, Nicholas Szeman. Lanham, Imre. *Value and Capital in Bourdieu and Marx* in: Pierre Bourdieu: Fieldwork in Culture. MD: Rowman and Littlefield, p100-119, 2000.

¹⁸⁵ Elizabeth B. Silva Rosalind Edwards, *Operationalizing Bourdieu on Capitals: A Discussion on 'The Construction of the Object'*, ESRC Research Methods Programme, Working Paper No 7, 2003.

their art? Another important question is: so how do these two domains, art and business work together, how do they relate?

We will then present examples of contemporary art works, which we think could belong under this categorization. Many of those make use of new media.

We end this part with a section on characteristics of transactional arts – or what we believe deserves this categorization. Here we will also the broader questions about the artistic strategies applied, e.g. their fictitious elements and their highly interdisciplinary nature. And of course we will have to ask: What makes these works art? And what is their status in relation to the world we live in: can transactional art be seen as an artistic critique of capitalism and if it may contribute to the evolution of our economic systems.

Analytical Instruments

In transactional arts complex superimposition and coexistence of various economic principles occur. How these meanings of the core notions exactly relate to each other can vary highly in the different artwork. Therefore I would like to postpone the question, how they actually relate until I have introduced the core economic concepts and applied them to the analysis of artworks.

I feel these complex notions are the core of the economic discipline deserve a level of depth and detail in this work, and I can of course give here only a short introduction to the core ideas, which I link generally to the issues relevant to transactional arts. Of course further research could pursue this approach in much more detail. In this work I want to explore the potential in order to establish the category of transactional arts, and will therefore only introduce the core concepts.

Since these notions coexist and overlap in nearly all of the transactional artworks, we would like to introduce them a priori before analyzing various cases of transactional art in the next part.

Transactions as the Exchange of Values

So what is actually a transaction? Historically the notion of transaction appears only in the 1950ties with Coase's reflection on the so called transaction costs, which are the resources necessary to make a transaction happen. However, the issues of transacting have been a core interest in economics since the beginning of the discipline. They have been covered in the debates on the notion of value and especially the so called exchange value of goods. In economic terms a transaction is defined as "an agreement between a buyer and a seller to exchange an asset for payment or as an "economic flow" that reflects the creation, transformation, exchange, transfer or elimination of economic value". The notion of value is the core entity to be exchanged and becomes in a theoretical outline of transactional arts a core concept.

Before we turn to the various economic theories of value, let' us quickly refer to the only economic theory, where the notion of transaction actually appears. In economics and related disciplines, transaction costs are costs incurred in making an economic exchange. The term "transaction cost" is thought to be coined by Ronald Coase¹⁸⁶, who used it to develop a theoretical framework for predicting when certain economic tasks would be performed by firms, and when they would be performed on the market. However, the term is actually absent from his early work up to the 1970ties. While he actually did not use the specific term, Coase indeed discussed "costs of using the price mechanism" in his 1937 paper *The Nature of the Firm* where he refers to the "Costs of Market Transactions" and in his seminal work, *The Problem of Social Cost* ¹⁸⁷. The term "transaction costs" itself can instead be traced back to the monetary economics literature of the 1950ties, and does not appear to have been consciously 'coined' by any particular author.

Arguably, transaction cost reasoning became most widely known through Oliver E. Williamson's "transaction cost economics". Today, transaction cost economics is used to explain a number of different behaviors. Often this involves considering as "transactions"

¹⁸⁶ Coase, Ronald H. "The Nature of the Firm." *Economica*, N.S., 4(16), p. 386-405, 1937.

¹⁸⁷Ronald Coase. "The Problem of Social Cost," *Journal of Law and Economics*, 1960. p. 1-44

not only the obvious cases of buying and selling, but also day-to-day emotional interactions, informal gift exchanges, etc.

At least two definitions of the phrase "transaction cost" are commonly used in literature. Transaction costs have been broadly defined by Steven N. S. Cheung as any costs that are not conceivable in a "Robinson Crusoe economy", in other words, any costs that arise due to the existence of institutions¹⁸⁸. To Cheung, "transaction costs", if the term is not so popular in economics literatures, should be called "institutional costs". But many economists seem to restrict the definition to exclude costs internal to an organization. The latter definition parallels Coase's early analysis of "costs of the price mechanism" and the origins of the term as a market trading fee.

So let us keep in mind: a transaction is an exchange of values, which sets the following complex concepts on our agenda.

Exchange

According to Simmel society: exists where a number of individuals enter into interaction which arises on the basis of certain drives or for the sake of certain purposes. Simmel views exchange as the purest and most concentrated form of significant human interaction. In fact, much action that may initially appear to be unilateral actually involves reciprocal effects (ie. is a form of exchange) and generally all interactions may more-or-less be conceived of as exchange. One characteristic of exchange is that the sum of values (of the interacting parties) is greater afterward than it was before - ie. each party gives the other more than he had himself possessed.

Economic Exchange - regardless of whether it involves material objects, labor, or embodied labor - entails the sacrifice of some good that has other potential uses. To some extent value attached to a particular object (ie material or in the form of labor) comes about through the process of exchange itself. Sacrifice is a component of exchange and may in some case take the form of an "opportunity cost" in the traditional economic sense. In

¹⁸⁸ Steven N. S. Cheung "Economic organization and transaction costs," *The New Palgrave: A Dictionary of Economics*, v. 2, pp. 55–58, 1987.

addition, the give-and-take between sacrifice and attainment within the individual underlies every two-sided exchange.

Exchange for Simmel is a creative process. Simmel believes that exchange is just as productive or creative of values as is "production" in the common sense. Along these lines exchange constitutes a displacement of materials between individuals, while production involves an exchange of material with nature. Value and exchange (as an actually inseparable factor) constitute the foundation of our practical life in the sense that we relate to the objects around us by conferring them with value in

The transaction between two possessors of objects which bring them into the 'economic' relation (ie reciprocal sacrifice) at the same time elevates each of these objects to the category of value. Simmel also states that exchange is neither giving or receiving per se, but rather is a new third process that emerges when those processes are simultaneously the cause and effect of each other.

A standard of value arises - at least in part - from the fact that labor power acts on various materials and fashions products so that it creates the possibility of exchange - labor power is perceived as a sacrifice which one makes for the sake of the fruits of labor. Simmel declares exchange a sociological structure sui generis: a primary form and function of inter-individual life. This is the social dimension of exchange, we will come back to the economic aspects and the postmodern discussions around exchange. But let us first address another core concept, which leads us from sociology right in the core questions of economics.

Value

If transactional art is the exchange of Values, then the next core concept is this complex concept. Values theories are a large part of the differences and disagreements between the various schools in economic theory. For example, the value of a commodity may be defined by factors such as labor necessary to produce it, the utility for the user, the marginal price a consumer is willing to pay for and the laws of demand and supply. In the early theories the notion of value was understood an intrinsic or objective property of an object. This objectivist school of thought was pursued by economists, such as Smith, Ricardo and

Hutcheson. Only with Jevons and his interest in the utility of an object, the “subjective value” to an individual became - till today- the dominant understanding of the concept of value. The value of an object tends to be perceived as identical with its price, provided there is a market for it. Let’s us quickly introduce the main positions on value in detail.

Simmel conceives every economic activity as a sacrifice in return for a gain where the value of the gain from an object derives from the measure of the sacrifice demanded in acquiring that object. Value is always situationally determined in such a way that in the moment of the exchange - of the making of the sacrifice - the value of the exchanged object forms the limit which is the highest point to which the value of the object being given away can rise. Therefore an exchange is always "worth it" to the parties involved, at least at the actual instant the exchange takes place. Simmel suggests that sacrifice itself can produce value. We need only think of the case of "easy money" and how easily it is spent: the easy-come-easy-go principle. Economic value therefore does not reside in some the self-existence of an object, but comes to an object only through the expenditure of another object which is given for it.

This raises the question of the exchange value of a commodity, the core issue economists have thought about since the beginning of the discipline. In the discussion on the nature of value is Adam Smith probably the most prominent early protagonist. He directed his attention to “*exchange value*” i.e. the power that the possession of a commodity provides to purchase other goods. Smith’s answer: the cost of production determines a good’s exchange value or *relative price*.

Smith differentiates between a value theory in a primitive society and in an advanced society. In a primitive society labor is the only scarce resource and capital and land are not existent. Here, the value of any commodity is equal to the quantity of labor which it enables him to purchase or command labor (labor commanded theory of value). If it “costs twice the labor to kill a beaver which it costs to kill a deer, one beaver should naturally exchange for or be worth two deer.”, states Adam Smith in “An Inquiry into the “Nature and Causes

of *The Wealth of Nations*”¹⁸⁹ In primitive society according to Smith labor is both source (labor cost theory) and measure (labor theory) of value.

In an advanced economy, i. e. a society where capital investments and land resources become more relevant, goods will normally be exchanged for other goods. For money, or for labor at a figure high enough to cover wages, rents and profits. The real value of a commodity can no longer be measured by the labor contained in them. They still can, however, be measured by the “the quantity of labor, which each of them can purchase or command”. The quantity of labor that a commodity can buy exceeds the quantity of labor embodied in its production by the total profits and rents. Demand, according to Smith, does not influence the value of a commodity. The only determinants of value are - in the long run - the cost of production, i.e. wages, rents and profits.

To sum up: Smith theory of value relies on three concepts: value "in use" (usefulness of this commodity, its utility), value "in exchange" is the relative proportion with which this commodity exchanges for another commodity (in other words, its price in the case of money), which is relative to the labor, and intrinsic value (without qualification) as an natural worth which stands without the process of exchange.

Karl Marx defined the value of the commodity by an additional characteristic: value is the 'socially necessary abstract labor' embodied in a commodity¹⁹⁰. He argued that workers work for a part of each day adding the value required covering their wages, while the remainder of their labor is performed for the enrichment of the capitalist. This labor theory of value and the accompanying theory of exploitation became central to his economic thought.

¹⁸⁹ Adam Smith in “An Inquiry into the Nature and Causes of *The Wealth of Nations*”, New York, G.P. Putnam’s sons, 1877 [Originally published in 1776] p. 51. Quoted in Stanley L. Brue, *The Evolution of Economic Thought*, Dryden Harcourt Publishers, 6th edition, 2000, p. 81.

¹⁹⁰ For Ricardo and other classical economists, this definition serves as a measure of "real cost", "absolute value", or a "measure of value" invariable under changes in distribution and technology.

An important contribution on the understanding of values was made by David Ricardo. Ricardo's interest lied in the *relative value*, not the absolute values like Smith and Marx had assumed. Ricardo wanted to discover the basis for the ratio of exchange between commodities. This would enable him to discover the causes of changes in these relative values over time. In order to have exchange value, a commodity must have *use value*. Though utility (defined as subjective want satisfying power) is not the measure of exchangeable value, it is essential to it. Ricardo's famous point is: since commodities possess utility, their exchange value is derived from two other sources: *scarcity* and the *quantity of labor* to obtain them.

Concerning art, Ricardo interesting enough comments on -works and other what he calls "non-reproducible commodities." The value of non-reproducible commodities, such as pieces of art, classic books, old coins etc. is determined by scarcity alone. In the age of reproducible artifacts the value may be shifting to the mere aesthetic and conceptual value and not their scarcity. Especially in the internet economy with its digital artifacts, products and services, the law of scarcity seems overcome, according to Chris Anderson¹⁹¹.

Ricardo argues that for these non-reproducible commodities the supply is fixed and only demand will be the primary factor in determining their exchange value. "Their value is wholly independent of the quantity of labor originally necessary to produce them and varies with the wealth and inclinations of those who are desirous to possess them"¹⁹² But most other commodities are reproducible and Ricardo assumed that they are produced without restraint under conditions of competition¹⁹³.

¹⁹¹ Chris Anderson, Long Tail, 2006 (?)

¹⁹² David Ricardo, Principles of Economy and Taxation, 1817. Quoted after Stanley L. Brue, The Evolution of Economic Thought, Dryden Harcourt Publishers, 6th edition, 2000, p. 118.

¹⁹³The exchange value of a commodity depends on the value to produce it, but other than Smith, also for the work embodied in the raw materials and capital goods used up in the process of production. Visually speaking: the weapon to hunt the beaver has to be factored in.

What does the classical economic school provide for the understanding of transactional arts? First of all, the production cost of an art-piece may differ from the goods Smith had in mind. The production of an artwork seemed in a classical sense be linked to the skills and unique capacities of the artist, possibly even his “genius” according to romantic understanding of creativity. For conceptual artworks this aspect may even be more in focus than in any other art form, since the craft aspect is minimized through the separation of concept and implementation. The production cost therefore become more and more linked to the artists’ creativity capable of producing the unique concept. The exchange value therefore, one could argue with Smith, has to massively take this uniqueness and scarcity and non-reproducibility into account.

But: transactional art is not about the exchange and the value of artworks! In transactional art, transactions are a genuine part of the artwork. And they may involve all sorts of goods, either reproducible or (as Ricardo calls them) non-reproducible ones included. For us interesting is, that the production-efforts do influence the exchange value and that scarcity and demand tend to define the value of a good, if it is not a matter of reproduction. These features will apply in some cases of value exchange within transactional arts.

Of course digital artworks, as Walter Benjamin¹⁹⁴ pointed out for the context of photography, are easily reproducible without additional costs. Their economy obeys different laws than the tangible commodities of the era before digital technologies emerged.¹⁹⁵

¹⁹⁴ Walter Benjamin, *The Work of Art in the Age of Mechanical Reproduction*, 1935, online accessible <http://www.marxists.org/reference/subject/philosophy/works/ge/benjamin.htm>

¹⁹⁵ (to be completed - see article on economy of internet goods and Chris Anderson Long Tail Internet Economy)

Marginalist Utility

What are the conditions of a transaction, when does an exchange actually take place? When is an exchange useful for an individual? William Jevons¹⁹⁶ aim in the *Theory of Political Economy* 1871¹⁹⁷ is to develop a general theory of exchange. For him, value depends entirely on the *utility of an object*. Utility is an abstract relationship between an object and a person, not a property intrinsic to the object. It cannot be measured directly at least with the tools at hand and as a subjective pleasure can only be estimated by observing human behavior.¹⁹⁸ Jevons also rejected any attempt to compare pleasures or pains among different people.

This relational understanding of the notion of exchange value seems compatible with the idea of the subjectivity of an aesthetic judgment. There is no objective value in Jevons approach. One may draw a parallel to aesthetic theory and the discussion around the universality of the judgment of the beautiful. Kant resolved this conflict by referring to the universality of the human disposition, which explains the universality of the aesthetic judgments, even though they are subjective as well.

To understand Jevons theory of value one has to understand his theory of the *diminishing marginal utility*: He assumes that with increasing consumption of a good its *total utility* increases for some time, but it increases at a diminishing rate. Each successive unit of commodity X adds less to total utility than did the previous unit. The *marginal utility* which Jevons calls “*final degree of utility*” varies with the quantity of the commodity, and ultimately decreases as that quantity increases.

When will the trade cease? The answer according to Jevons is the point at which there are no further possibilities of utility gains from exchange. The exchange value of each good

¹⁹⁶ Alessandro Roncaglia, *The Wealth of Ideas*, History of Economic Thought, Cambridge University Press, 2005. Chapter on “The Jevonian Revolution”, p. 288.

¹⁹⁷ William Stanley Jevons, *The Theory of Political Economy*, 3ed edition, London, Mac Millian 1888[Original published in 1871.]

¹⁹⁸ and not their preferences

was thus equal, on the one hand, to its marginal utility, and on the other hand to the marginal disutility of the labor necessary to obtain it (even indirectly through the exchange of a good directly produced by the economic subject under consideration). In this way, for each good the quantity produced and or consumed was determined simultaneously with its exchange value¹⁹⁹ Therefore exchanges of value are performed as long as there is some sort of utility for each side of the deal.

This is again of interest for transactional arts. There seems to be a threshold defining when a deal is not possible because for one side (at least) the deal offers not enough utility. One may assume that for transactional arts these borders are constantly stretched and of course the aesthetic value of an artwork will possibly be the most relevant criterion/value to rely on. As we will see, in many cases of transactional art, the utility of the offered commodity is not an attractive option for the recipient (see section on Offer as an Artistic Expression).

Why is Jevons refuting the labor theory of value? Because in his subjectivist view labor itself has unequal value. It differs infinitely in quality and efficiency for each individual. . Labor is a subjective, psychological cost, a “painful exertion.” The problem of economics is “to satisfy our wants with the least possible sum of labor.” To accomplish this, the worker must compare the pain of work and the pleasure of earnings.²⁰⁰

For the creation of art this aspect to labor may have a slightly different twist: the artist, yes, may suffer in one or the other form, but constituent part of artistic creation is the pleasure which is part of the inspiration experienced. It may lie beyond possible quantification, but we may assume, that the creation of art is generally speaking a more pleasurable activity than many other forms of production. It is exactly this pleasure (or

¹⁹⁹ Roncaglia p 293

²⁰⁰ The quantification of pleasures and pains was developed by Jevons with greater rigor than previously Jeremy Bentham²⁰⁰. Bentham had pointed out a number of elements: intensity, duration, certainty, propinquity, fecundity, purity and extend ²⁰⁰- which determine the quantity of pleasure or pain to a given action. Jevons reduced these to two: intensity and duration.^{200 200}

intrinsic motivation) during its creation that differentiates art from other forms of production and work.

To sum up: Jevons believes that marginal utility is the determinant of exchange value. A change in exchange value may result from such factors as a change in people's relative preference for commodities. When exchange value changes, the value of labor used to produce the commodities also changes. Changes in the value of labor (wages rates) in turn cause changes in the optimal amount of work viewed by workers in various industries. So, asks Jevons, how can the labor time be cause or measure for exchange value? Rather, the value of an hour of labor is determined by the final degree of utility of the product.

For the context of transactional arts, the marginalist (neo-classic) school with their subjective approach to value seems to offer more potential than the classical approach. Since aesthetic judgements themselves tend to have a strong subjective quality, a subjective understanding of the notion of value seems much more adequate.

According to the subjectivist value theories the value of a good depends on how many goods one already owns or has at one's disposal. This means, there is no absolute value for any object. For deals within art works, this is an interesting idea, as probably none of the goods offered in transactional arts are already consumed therefore the marginal value is actually hard to define, since there is no lower or further need for a good. One may argue, especially in the context of conceptual art, that in the moment the concept is released, the good has reached its maximal value.

But, a counter argument could be, that with increased consumption of the artwork, its value still may increase, as more insight is generated. If this is the case, there may even be a similar curve of "diminishing insight" (or the capacity to be inspired) over time and therefore the value of an artwork may decrease.

Can artworks become "used up", can especially conceptual art become to an individual recipient intellectually "worn out" after a while? And are measuring the value for one individual or for any new recipient, i.e. "consumer"? Again, transactional art is not about the value of the overall art-work, but about the various goods exchanged within the art work. For those, generally speaking, the principles of diminishing total utility and a marginal

utility could actually apply, if we assume, the intellectual stimulation (in other words the aesthetic value) is actually a function of time and is diminishing by repeated consumption. If we don't assume this, then the value of an artwork would be either fixed or varying depending on the reception circumstances, but would not become less over time. Every time experiencing the artwork would yield the same value again and again.

Interesting is also, that Jevons constructs the conditions of a deal. A deal is only interesting for both parties, if the conditions of utility for both parties are fulfilled. Which means, that the two subjective evaluations of the good have to meet at a certain price. The desire to want something varies drastically between individuals and the price is a kind of "interface" or agreement between the two parties about the utility they attribute the goods exchanged. We will below elaborate on the notion of a deal in contractual terms, where the so-called consideration is the value to be exchanged.

Critiques of Classical Value Theories

There are various approaches to the notion of value, which lead away from the initial and intuitive understanding of value relating to the factors such as labor, production, use and marginal utility and supply and demand. These critical theories highlight an additional quality of commodities, which somehow is related to the social interactions coming along with exchanges. The following theories are mostly relevant for transactional art, which deals with marketing and the aspects of business communication, such as advertising. Here value is created somehow beyond the classical concept of value as introduced so far. Marx's commodity fetishism is the beginning of a critique of classical value theories, which Baudrillard and Debord and others have pursued.

In Marxist theory, *commodity fetishism* is a state of social relations said to arise in capitalist market based societies, in which social relationships are transformed into apparently objective relationships based on commodities or money. The term is introduced in the opening chapter of Karl Marx's main work of political economy, *The Capital*, published in 1867.

Commodity fetishism is the belief that value inheres in commodities instead of being added to them through labor. This is the root of Marx's critique relating to the conditions

surrounding fetishism. In capitalism commodities become "fetishized". Marx's use of the term fetish can be interpreted as an ironic comment on the "rational", "scientific" mindset of industrial capitalist societies. In Marx's days, the notion of fetishism was primarily used in the study of primitive religions; Marx's "fetishism of commodities" may be seen as proposing that just such primitive belief systems exist at the heart of modern society. In Marxist thought, commodity fetishism is defined as an illusion arising from the central role that private property plays in capitalism's social processes. It is a central component of the dominant ideology in capitalist societies.

To quote Marx:

“A commodity appears at first sight, a very trivial thing, and easily understood. Its analysis shows that it is, in reality, a very queer thing, abounding in metaphysical subtleties and theological niceties. So far as it is a value in use, there is nothing mysterious about it, whether we consider it from the point of view that by its properties it is capable of satisfying human wants, or from the point that those properties are the product of human labor. It is as clear as noon-day that man, by his industry, changes the forms of the materials furnished by nature. The form of wood, for instance, is altered by making a table out of it. Yet, for all that the table continues to be that common, every-day thing, wood. But, as soon as it steps forth as a commodity, it is changed into something transcendent. It not only stands with its feet on the ground, but, in relation to all other commodities, it stands on its head, and evolves out of its wooden brain grotesque ideas, far more wonderful than if it were to dance of its own accord.”²⁰¹

For Marx commodity fetishism is a misperception as it misinterprets the value of labor and use value, and apparently seems to relate to other commodities, thereby becoming somehow overvalued as a fetish. Exactly this additional and relational aspect of value will serve as the starting point for Jean Baudrillard's critique of Marxism

²⁰¹ Capital, Volume I Ch. I, § 4, ¶ 1 Marx, Karl, *Le capital* / par Karl Marx, traduction de M. J. Roy, entièrement révisée par l'auteur, M. Lachâtre, 1818-1883, printed when? [in the French Edition it is on page 82]

Symbolic and Sign Value

Jean Baudrillard points out that all purchases, because they always signify something *socially*, have a fetishistic side. He asks in his early writings “For the Critique of the Political Economy of the Sign:”²⁰²

“What else is intended by the concept of “commodity fetishism” if not the notion of false consciousness devoted to the worship of exchange value (or more recently the fetishism gadgets or objects, in which individuals are supposed to worship artificial libidinal prestige values incorporated in the object)?”

Objects always, drawing from Roland Barthes, "say something" about their users. And this is the reason why for Baudrillard consumption remains more important than production: The "ideological genesis of needs" precedes the production of goods to meet those needs. Needs are constructed and not, as Marx and Smith thought, innate.

He uses the expression of fetishism as a metaphor for the worship of false idols, false because the individual is “trapped in the factitious, encoded, systematized aspect of the object. It is not the passion (whether of objects or subjects) for substances that speak in fetishism; it is the *passion for code* which by governing both subjects and objects and by subordinating them to itself, delivers them up to abstract manipulation”.

For Baudrillard an object can have four forms of value as he elaborates in the “Critique of the Political Economy of the Sign”:²⁰³ The *functional value* of an object is its instrumental purpose. A pen, for example, writes a plane flies. This understanding is close to Marx's "use-value". The *exchange value* of an object refers to the command over labor in Baudrillard's sense. The *symbolic value* of an object is the value that a subject assigns to an object *in relation to another subject*. A pen might symbolize a student's school graduation gift or a commencement speaker's gift and a diamond may be a symbol of publicly declared marital love. The *sign value* of an object is its value within a *system* of

²⁰² Jean Baudrillard, For the Critique of the Political Economy of the Sign, 1981, translated Charles Levin, p 89.

²⁰³ Jean Baudrillard, For a Critique of the Political Economy of the Sign ,1972, p 63.

objects. A particular pen may, whilst having no functional benefit, signifies more prestige relative to another pen; a diamond ring may have no function at all, but may suggest particular social values, such as taste or class.

Baudrillard earlier books were attempts to argue that functional and exchange values are not simply associated, but are disrupted by the symbolic and particularly, the sign value of an object. Baudrillard claims, commodities are not merely to be characterized by use-value and exchange value, as in Marx's theory of the commodity, but sign-value — the expression and mark of style, prestige, luxury, power, and so on — becomes an increasingly important part of the commodity and consumption.

Baudrillard claims that commodities are bought and displayed as much for their sign-value as their use-value, and that the phenomenon of sign-value has become an essential constituent of the commodity and consumption in the consumer society. This position was influenced by Veblen's notion of "conspicuous consumption" and display of commodities analyzed in his *Theory of the Leisure Class*²⁰⁴ that, as Baudrillard argues, ubiquitely affects everyone in the consumer society.

For Baudrillard, the entire society is organized around consumption and display of commodities through which individuals gain prestige, identity, and standing. In this system of code, the more prestigious one's commodities (houses, cars, clothes, and so on), the higher one's standing in the realm of sign value. Thus, just as words take on meaning according to their position in a differential system of language, so sign values take on meaning according to their place in a differential system of prestige and status.

The exchanges in transactional arts may be viewed as symbolic exchanges in the sense of Baudrillard. First of all, the various forms of value he describes overlay each other in many transactional art works and are exchanged for each other. This is what actually creates the complexity of the art works. In many transactional art works, especially those with a connotation to marketing, the sign values offer to the artist a way to reflect the mechanisms

²⁰⁴ Veblen, Thorstein., *Theory of the Leisure Class, first published 1899*, Project Gutenberg e-book, released 1997-03-01, <http://www.gutenberg.org/etext/833>

of social status and prestige. Other than Bourdieu (see below) Baudrillard does not explicitly refer to forms of the conversion between these values.

Reciprocity in Exchanges

As we assumed reciprocity is the core characteristic of interactions and transactions. The question of the reciprocity in exchanges of values was the concern of Marcel Mauss studying gift-giving rituals of North-American Indians. Any transaction –defined as an exchange of value - involves some sort of reciprocity. Mauss studies the exceptional case of the gift, where the recipient is apparently receiving something for free. And where reciprocity seems at first sight perhaps be violated. However, Mauss famous point is that there is actually no free gift. We may say: any gift-giving is a kind of transaction and a reciprocal exchange of values, because the gifts given actually create obligations for the recipients.

Marcel Mauss explored the mechanisms of obligation which is gifts may accompany in the extreme case of a different culture. He uses the so called Potlatch gift economy. It has been discussed in the literature that this term is anthropologically not precise and is not grounded in secured empirical anthropological data. However, his generalizations inspired many other authors and offered valuable insights on the exchanges of values.

In the usual transactional exchanges in the business world, there are goods and services exchanged for monetary compensation. Many transactional artworks are based on some sort of gift giving, often without any obvious obligation for the audience. This may be typical for the western society where give-aways are part of marketing practices and tend to be strictly linked to the strategic goals of the giver. We will discuss in detail transactional art forms in the section on art as give-away.

The question that drove Mauss' inquiry was: "What power resides in the object given that causes its recipient to pay it back?"²⁰⁵. The answer is that the gift is a "total prestation", imbued with "spiritual mechanisms", engaging the honor of both giver and receiver. Such transactions transcend the divisions between the spiritual and the material in a way that

²⁰⁵ Ibid. p 3

according to Mauss is almost "magical". The giver does not merely give an object but also a part of himself, since the object remains indissolubly tied to the giver: "the objects are never completely separated from the men who exchange them"²⁰⁶

Because of this bond between giver and gift, the act of giving creates a social bond with an obligation to reciprocate on part of the recipient. To not reciprocate means to lose honor and status, but the spiritual implications can be even worse. Drawing from Polynesian tribes, failure to reciprocate means to lose "mana", one's spiritual source of authority and wealth. Mauss distinguished between three obligations: giving - the necessary initial step for the creation and maintenance of social relationships; receiving, for to refuse to receive is to reject the social bond; and reciprocating in order to demonstrate one's own liberality, honor and wealth.

In the field of transactional arts, we will find quite a few examples of apparently free gifts. The structure of reciprocity in these works will be discussed – inspired by Mauss' insights - from case to case

Waste/Gift Economies

In some exchanges values are actually destroyed or deliberately wasted. This is another pattern, which we will find in our typology of transactional arts and address in the section on art as a give-away.

Georges Bataille discusses the way in which social status and rank arise in potlaching societies from the loss or partial destruction of property. When gifts of great value are given away or even destroyed at a potlatch, the giver gains prestige. The destruction of value actually creates a different kind of value, which the sociologist Pierre Bourdieu will later call "social capital."

Bataille's reception of Mauss Gift economy constitutes gift giving as a self-contained system outside of capitalism. Potlatch rites are practiced on the occasion of an individual's change in situation, initiations, marriages, funerals, for instance. "Potlatch excludes all

²⁰⁶ Ibid. p 31

bargaining and, in general, it is constituted by a considerable gift of riches, offered openly and with the goal of humiliating, defying and obligating a rival.”²⁰⁷ ²⁰⁸.

The idea of the “understatement”, we may say today, is a camouflage strategy of the elites, perhaps to become less vulnerable to the envy of the masses. Elites may exactly hide the waste (in the form of consumption) of wealth. In aesthetic terms this strategy may lead to a sort of purism and apparent simplicity. For our context of transactional art, the motives behind wastes of value may be different from piece to piece, but Bataille’s thought may offer potential for subtle transactional artworks addressing this deliberate frugality.

The term "symbolic exchange" was occurs in Bataille's "general economy" where expenditure, waste, sacrifice, and destruction were claimed to be more fundamental to human life than economies of production and utility.²⁰⁹ Bataille's metaphor is the sun: freely expended its energy without asking anything in return. He argued that if individuals wanted to be truly sovereign (i.e. free from the imperatives of capitalism) they should pursue a "general economy" of expenditure, giving and destruction to escape the determination by existing imperatives of utility. In Bataille’s general economy individuals are reach true sovereignty by overcoming the mechanic of which is restrictive economy is based on scarcity and necessity and being a slave of the future.²¹⁰

²⁰⁷ Georges Bataille, *Visions of Excess, Selected Writings, 1927-1939*, trans Allen Stoekl, Lovitt, Leslie, University Minnesota Press, 1995, p 121.

²⁰⁸ **Skip perhaps:** Bataille generalizes this mechanism to analyze the concept of class in contemporary society: In the bourgeois society the “practice of loss” as an open destruction of values is lost, he says. The bourgeoisie, other than potlaching societies, interiorize their consumption of wealth. Public display of consumption become measured and mediocre – and therefore paradoxically often less visible The formerly open symbolic struggle in potlaching societies is transformed into the class struggle of contemporary western societies, where the wealth elites try to separate themselves from the poor masses, but often without the demonstrative destruction of values

²⁰⁹ Bataille, 1988 [1967].

²¹⁰ Gary Sauer-Thompson, *Blog on Philosophical Conversations*, 2003 <http://www.sauer-thompson.com/conversations/archives/001084.html>

Symbolic Exchange

However, there is a chance to overcome the logic of capitalism – and this potential is offered through the concept of the symbolic exchange. Baudrillard contrasts his ideal of symbolic exchange to the values of production, utility, and instrumental rationality that govern capitalist (and socialist) societies. “symbolic exchange” thus emerges as Baudrillard's “revolutionary” alternative to the values and practices of capitalist society, and stands for a variety of heterogeneous activities in his 1970s writings.

The term therefore refers to symbolic or cultural activities which do not contribute to capitalist production and accumulation, which potentially constitute a “radical negation” of productivist society. He writes in the *Critique*:

“The exchange of looks, the present which comes and goes, are like the air people breathe in and out. This is the metabolism of exchange, prodigality, festival — and also of destruction (which returns to non-value what production has erected, valorized). In this domain, value isn't even recognized.”²¹¹.

He also describes his conception of symbolic exchange in *The Mirror of Production* where he writes:

“The symbolic social relation is the uninterrupted cycle of giving and receiving, which, in primitive exchange, includes the consumption of the ‘surplus’ and deliberate anti-production.”²¹²

The text opens with a preface that condenses his attempt to provide a significantly different approach to society and culture. Building on the French cultural theory of Georges Bataille, Marcel Mauss, and Alfred Jarry, Baudrillard champions “symbolic exchange” which resists capitalist values of utility and monetary profit for cultural values. Baudrillard argues that in Bataille's claim that expenditure and excess is connected with sovereignty, Mauss's descriptions of the social prestige of gift-giving in premodern society, Jarry's theater that

²¹¹ Jean Baudrillard, *For a Critique of the Political Economy of the Sign*, St. Louis: Telos Press, 1981 (1973)

²¹² Jean Baudrillard, *The Mirror of Production*, St. Louis: Telos Press, 1975, (1973)

ridicules French culture, and Saussure's anagrams, there is a break with the values of capitalist exchange and production, or the production of meaning in linguistic exchange. These cases of "symbolic exchange," Baudrillard believes, break with the values of production and describe poetic exchange and creative cultural activity that provides alternatives to the capitalist values of production and exchange.

He argues that the distinction between symbolic exchanges and commercial exchanges has disappeared in contemporary societies, in favor of the dominance of the latter. As we saw earlier, the importance of use-value is replaced by the symbolic value. In "Symbolic Exchange and Death" he claims that in contemporary society the symbolic is even replaced by the semiotic. "Contemporary society turns all objects into commodities, which circulate endlessly like signs: thus objects lose their value that they "once" had.

Dissolving Values – Simulacra and Spectacles

Within the postmodern debate highlighted the relativist approach to the notion of value and exchange. These deconstructions of the classical value theories are highly relevant for a group of art works which reflect the marketing and communication efforts of corporations.

Baudrillard, a "strong simulacrist," claims that in the media and consumer society, people are caught up in the play of images, spectacles, and simulacra, that have less and less relationship to an outside, to an external "reality," to such an extent that the very concepts of the social, political, or even "reality" no longer seem to have any meaning. And the "narcotized" and "mesmerized" media-saturated consciousness is in such a state of fascination with image and spectacle that the concept of meaning itself, which depends on stable boundaries, fixed structures, shared consensus, dissolves. As he stated in his famous quotes: "The simulacrum is never that which conceals the truth--it is the truth which conceals that there is none." Therefore "The simulacrum is true."²¹³

Baudrillard develops what he terms "theory fiction," or what he also calls "simulation theory" and "anticipatory theory." Such "theory" intends to simulate, grasp, and anticipate

²¹³ Baudrillard, Jean, *Selected Writings*, ed. Mark Poster (Stanford; Stanford University Press, 1988), pp.166-184.

historical events, that he believes are continually outstripping all contemporary theory. The current situation, he claims, is more fantastic than the most fanciful science fiction, or theoretical projections of a futurist society.

He deploys Marx' commodity fetishism to explain subjective feelings towards consumer goods in the "realm of circulation", that is, among consumers. He was especially interested in the cultural mystique added to objects by advertising, which encourages consumers to purchase them as aids to the construction of their personal identity. Already in his early work "For a Critique of the Political Economy of the Sign" (1972) he develops a notion of the sign that, like Debord's notion of spectacle, runs alongside Marx's commodity fetishism.

For Baudrillard, modern societies are organized around the production and consumption of commodities, while postmodern societies are organized around *simulation* and the play of images and signs, denoting a situation in which codes, models, and signs are the organizing forms of a new social order where simulation rules.

In the society of simulation, identities are constructed by the appropriation of images, and codes and models determine how individuals perceive themselves and relate to other people. Economics, politics, social life, and culture are all governed by the mode of simulation, whereby codes and models determine how goods are consumed and used, politics unfold, culture is produced and consumed, and everyday life is lived.

The absence of any liberal media art, in favor of capitalist mechanisms is an interesting fact, but is not excluded in principles in the field of transactional art. In Adorno's sense, transactional art actually could be highly affirmative and even explore evolution of capitalism as it is possible a question of the time after the recent financial crisis in 2008/9.)

Guy Debord may be seen even more radical than Baudrillard in his view on society. In his "Society of the Spectacle" he elaborates that there is actually nothing else than the spectacle. The spectacle made relations among people seem like relations among images and vice versa. The spectacle is the form taken by society once the instruments of cultural production have become wholly commoditized and exposed to circulation.

Thesis 36:

Here we have the principle of commodity fetishism, the domination of society by things dominated whose qualities are “at the same time perceptible and imperceptible by the senses” This principle is absolutely fulfilled in the spectacle, where the perceptible world is replaced by a set of images that are superior to that world yet at the same time impose themselves as eminently perceptible”²¹⁴.

Is Debord exaggerating? Aren't transactions actually to be seen as attempts to make some sort of existence (one may not have to call it “reality”) outside of the universes of mere references, therefore outside of the “spectacle”? Debord would deny this, no, there is nothing else than the exchange of images.

What does this imply for the notions of value? All value seems to become sign values, in the sense of Baudrillard, images for others to be perceived and defining the social relationships between people. “The Spectacle cannot be understood as a deliberate distortion of the visual world or as a product of the technology of the mass dissemination of images. It is far better viewed as *Weltanschauung* that has been actualized, translated into the material realm – a world view transformed into an objective force. ²¹⁵

And he concludes his first chapter with thesis 34: The Spectacle is *capital* accumulated to the point, where it becomes image.”

“Exchange value could only have arisen as the proxy of use value, but the victory it eventually won with its own weapons created the preconditions for its establishment as an autonomous power. By activating all human use value and monopolizing that value’s fulfillment, exchange value eventually gained the upper

²¹⁴ Guy Debord, *The Society of the Spectacle*, La société du spectacle, Paris: Buchet-Chastel, 1967. Translated by Donald Nicholson-Smith (New York: Zone Books, 1994) online <http://www.cddc.vt.edu/sionline/si/tsots00.html>, Thesis 36

²¹⁵ Ibid. Thesis 5

hand. The process of exchange became indistinguishable from any conceivable utility thereby placing use value at its merci."²¹⁶

The spectacle seems to be the uniform form of all forms of capital, subsuming any difference between real world and illusions. There is nothing else to be exchanged than signs. This is what constitutes the all encapsulating spectacle.

The spectacle is another facet of money, which is the general abstract equivalent of all commodities...The spectacle is money for contemplation only, for here the totality of use has been bartered for the totality of abstract representations. The spectacle is not just the servant of pseudo-use – it is already, in itself, the pseudo use of life. "²¹⁷

The degradation of human life Debord traces the development of a modern society in which authentic social life has been replaced with its representation: With the term spectacle, Debord defines the system that is a confluence of advanced capitalism, the mass media, and the types of governments who favor those phenomena. "... the spectacle, taken in the limited sense of "mass media" which are its most glaring superficial manifestation..."²¹⁸ The spectacle is the inverted image of society in which relations between commodities have supplanted relations between people, in which passive identification with the spectacle supplants genuine activity. "The spectacle is not a collection of images," Debord writes "rather; it is a social relationship between people that is mediated by images."²¹⁹

Debord's aim and proposal, is "to wake up the spectator who has been drugged by spectacular images," "through radical action in the form of the construction of situations," "situations that bring a revolutionary reordering of life, politics, and art". Debord

²¹⁶ Ibid Thesis 46

²¹⁷ Ibid. Thesis 49

²¹⁸ Ibid. Thesis 24

²¹⁹ Ibid. Thesis 4

encouraged the use of détournement, "which involves using spectacular images and language to disrupt the flow of the spectacle."²²⁰

Debord also draws the equivalence between the role of mass media marketing in the present and the role of religions in the past²²¹. The spread of commodity-images by the mass media, produces "waves of enthusiasm for a given product" resulting in "moments of fervent exaltation similar to the ecstasies of the convulsions and miracles of the old religious fetishism".

For transactional arts, Debord approach raises some interesting questions: Are transactional arts candidates for such "détournements"? Can transactional art "wake up" the spectator? And what exactly would the outcome then be? Are transactions also just spectacles or do they entrench us to some perhaps a arena (of power?) beyond that of signs? Following to Debord transactional arts would be nothing else than the exchange of signs, and transactions would not introduce some sort of a "irreducible fundamental"? These questions are another opportunity for future research. For the moment, I would argue, that Debord's approach seems a bit too radical, and that at least economic transactions are exactly an attempt to reach outside the arena of the mere signs. This of course questions exactly Debord's initial stance, and would require therefore an in depth rejection of his premises, which we can't do here. For many artworks which reflect and/or make use of communication strategies Debord's analysis can offer a fundus of inspirations.

Impossible Exchange

Finally, there is one realm, Baudrillard argues, which is actually irreducible to any exchange, and therefore also for transactional arts. Even though Baudrillard is a simulacrist and probably in many respects somehow d'accord with Debord, he gives an example his universe of simulacra is somehow grounded in one unsurmountable fundamental: death.

²²⁰ The Society of the Spectacle is a critique of contemporary consumer culture and commodity fetishism. Before the term 'globalization' was popularized, Debord was arguing about issues such as class alienation, cultural homogenization, and the mass media.

²²¹ Ibid. Thesis 20 and 25

Death becomes an impossible exchange Bourdieu elaborates in the essay “The Impossible Exchange”²²²

“We are in exchange, universally. All our conceptions lead back to it at some point or other, whether it be commodity in exchange or that concept of symbolic exchange which I have used a great deal, and which is in a way its opposite. The fact remains that exchange, in fact, grounds our morality, as does the idea that everything can be exchanged, that the only thing that exists is what can assume value, and hence pass from one to another. Destiny comes close to the notion of the impossible exchange, at least in the absolute. It is something which, at a particular moment, is of such singularity, that it is not exchangeable against any rationality whatsoever...In my opinion exchange is a delusion, an illusion but everything conspires to have us act through ideas, words, commodities goods and individuals can be exchanged..- that death itself can be exchanged for something. And finding reasons for everything – causes and purposes- is another modality of exchange. For this delusion to function, everything has to have a referent or an equivalent somewhere. In other words, a possibility of exchange in value terms. By contrast,, that which cannot be exchanged might, to cut a few corners, be said what Bataille terms as “accursed share” – and this has to be reduced.”²²³

The impossible exchange in the form of death forms the limit of all passages and circulations. It is the “impossible exchange barrier” and irreducible base of any transactional system.

Of course the impossible exchange in all its radical unavailability applies also to transactional arts. As we will see in the section of the various cases, this connection seems not yet been explicitly made by any artists and is perhaps an interesting idea to pursue with artistic strategies.

²²² Baudrillard, Jean, *The Impossible Exchange in: Passwords*, translated by Chris Turner, Verso, 2003.

²²³ Baudrillard, Jean, *Impossible Exchange*, Ibid . p.73

Excursion: Value of Art and Aesthetic Value

As we saw, the classic and also postmodern approaches to the concept of value do not explicitly refer to artistic products. However, transactional arts do not ask the question about the value of art in general, but about the values exchanged within the artworks. Of course ultimately, also the question about the value of transactional art may be posed, as with any other artwork as well.

The new and interdisciplinary field of Cultural Economics is investigating the economics of culture²²⁴. A lot of the research in this field then tries to reflect on the value of art in general and relation to societies. Therefore valuation of art and non-economic goods is a major topic in the discourse of Cultural Economics. Cultural Economics borrow their understanding of value not only from economics, but also from philosophy.

Robert Nozick²²⁵ objects can have three sorts of value: *intrinsic value* he defines as their unique capability to create a novel form of “unity-in-diversity”. *Cultural value* he refers to the aesthetic objects as symbols of a particular cultural group and *economic value* is represented by what price someone is willing to pay for them.²²⁶

Nozick’s intrinsic value leads us to another relevant concept: the notion of *aesthetic value*, referring to the intellectual stimulation and enrichment through a work of art. The notion of the aesthetic value has a tradition as well, though is not an explicit subject of western aesthetics. Kant does use the term, as we showed below.

Dewey²²⁷ argues, the value of art is not in artworks as mere physical objects but in lived experience and those objects serve, whether this is the creative experience of the artist or

²²⁴ Roger McCain, *Defining Cultural and Artistic Goods*, in: Victor A. Ginsburgh, David Throsby (eds) *Handbook of the Economics of Art and Culture*, North Holland, Amsterdam, 2006

²²⁵ Nozick quoted after Roger McCain, *Handbook of Economics and Culture*, Vol 1, p152

²²⁶ Jeanette Snowball, *Measuring the Value of Culture, Methods and Examples in Cultural Economics*, Springer, 2008.

²²⁷ Dewey quoted after Hutter(see above), p192

appreciative experience of the audience. Similarly, A. Klamer²²⁸ defines cultural capital as “the capacity to inspire and be inspired” These understandings basically confirm that art has some sort of value for a society, even though it may not be quantifiable in monetary terms.²²⁹

Since there are “realms of non-value”, they argue, both in aesthetic as well as in economic theory, the concept of value does actually fail to fulfill its apparent function to centralize and organize these discourses. The deconstruction of the concept of value is a derivative of its discursivity and its limitations, as there its negation, the realm of non-value always comes along with it. Is this really an indication for the failure of a concept? Undermining its legitimacy?

The authors actually provide a counterargument to their position: “If we understand price included in value then”, they admit, “most neo-classical theory can be seen to be intimately bound up with questions of value”. This implies, at least for the economic discipline, that the value-discourse containing the questions of price mechanisms, is actually centered around the intuition of value. And, historically the concept has kept economists for hundreds of years busy.

The exact expression of *aesthetic value* has not much of a central position in the field of aesthetics. Of course, the intuition behind, are phrased as the questions of aesthetic judgments, which as we discussed tend to rely on the condition of disinterestedness among others. However, all aesthetic theories somehow concede a certain non economic gain from the perception of art works. What exactly determines the aesthetic judgment is beyond this study.

²²⁸ A. Klamer, *Accounting for Social and Cultural Values*. De Economist 150,4: 2002, p 453-473. See also A. Klamer in Handbook of Economics and Culture, Vol 1, p 465-7.

²²⁹ See also: Throsby, D, *Cultural Capital*, Journal of Cultural Economics, 1999

To Immanuel Kant the concept of "aesthetic value" for example is not in any simple way relevant. In the first place, Kant's aesthetics is concerned not so much with art as with nature: with the beautiful and the sublime in nature, which is connected with the notion of 'disinterestedness'. A rose is, for Kant, simply beautiful, and this has no value as such: in fact, he is interested in understanding why it is that there is, as he thinks is the case, general agreement (the 'sensus communis') as to such beauty. Of course, there is no longer such general agreement, if there ever was any (even in the 18th century), and it is arguably the case that Kant is not very much concerned with the economic and social dimensions of beauty.

A second point to make is that morality is in complex ways and very closely related to aesthetics, in Kant's view. E.g., in the case of the sublime, what the horrendously overwhelming storm or the expanse of infinite space suggests to the subject is the irrelevance, in the end, of the imagination, because its failure to cope with such immensity negatively affirms its inferiority compared to reason, which is able to provide a concept (e.g. for infinity) where the imagination fails to provide an image (e.g. of infinity). So the sublime event confirms the superiority of reason over the other faculties, including the imagination. And reason is the faculty of desire and thereby of morality: the sublime provides an intimation of what Kant calls the moral destiny of the subject, which is freedom. So if the sublime has aesthetic value, then this is in relation to morality.

And we will also only shortly refer to the discourse of cultural economists asking, what the value of art actually is. This however is another question than to ask, what kind of aesthetic values are actually exchanged within transactional art works. In order to answer the latter, we find a very different approach much more useful: talking of the aesthetic capital, which may become subject to the exchanges within transactional art.

So how about the relationship between the aesthetic and the economic value? Is it a relationship of correspondence? The Economists David Ruccio, Julie Graham and Jack

Amariglio²³⁰ aim to deconstruct the notion of value, both economic and aesthetic value, from an economic point of view. “Economic and aesthetic value function in many discourses as hedges against uncertainty”²³¹, they state. Even economic value, however cannot prevent the possibility that in many cases it is designed to forestall: unpredictable and destabilizing changes in evaluation. Now, the interaction between the different discourses of value makes the situation even less stable. However there are various motivations to try to line up economic and aesthetic value. They refer to Rousseau.

“The need to make economic and aesthetic value “line up” in order to stabilize both is apparent in the extreme quotation of Theodore Rousseau. Rousseau’s statement nicely captures the sheer bravado that sometimes must be summoned up in order to make sure the price one pays for a work of art correlates perfectly with the aesthetic judgment about the work...There are multiple examples that can be cited to show that, for many buyers and sellers of art or culture, the preferred relation between economic and aesthetic value is that of a correspondence”²³²

However, there are many examples, which actually attack this kind of correspondence. So does a position of “cultural elitism” exactly inverse the relationship, an artwork with a high market price exactly denotes the aesthetic degradation of that particular object. “Cultural criticism is built on the critical ability to trash that which is popular and whose popularity is “reflected” (so it is believed) in the relatively higher economic price.”²³³ The art collector on the other hand likes to believe that the market reflects is “superior aesthetic sensibility” and that this superior sensibility “reflects” the seemingly amoral and random determinations of market value. This correspondence allows him to feel comforted that

²³⁰ David Ruccio, Julie Graham, Jack Amariglio, *The Good, The Bad, and the Different – Reflections on Economic and Aesthetic Value*, in: Arjo Klamer, *The Value of Culture – On the Relationship between Economics and Arts*, Amsterdam University Press, 1996

²³¹ Ibid. p. 66

²³² Ibid p 66

²³³ Ibid p 67

there is sufficient evidence of wisdom of his purchase. Ruccio, Graham and Amariglio argue that the dream of a just price, a price where economic and aesthetic values converge may never be realized. And, their main claim is: “The introduction of difference and discursivity can have the effect of relativising aesthetic and economic value.”²³⁴ Value is always discursive and therefore there is nothing intrinsic, or natural to value, neither to the economic, nor to the aesthetic value.

The discourse of Cultural Economics also reaches a deconstructivist position on the notion of value by authors such as Ruccio et al.²³⁵ and Anton van Braambusche²³⁶. However, not fully convinced of this approach we will then introduce the historic understandings of the notion of value in both, the economic and the aesthetic discourse.

According to Ruccio et al. value is a highly discursive construct. “The idea that any economic or aesthetic event must either be reduced or contain a value is often defended on the grounds that value is universal and ubiquitous in the sense that it is given to discourse by the objects or subjects themselves. The “naturalness” of value is...stemming from either its objectivity or subjectivity”²³⁷. (238)

²³⁴ Ibid, p. 67

²³⁵ Ruccio, David; Graham, Julie; Amariglio, Jack *The Good, The Bad, and the Different – Reflections on Economic and Aesthetic Value*, in: Arjo Klammer, *The Value of Culture – On the Relationship between Economics and Arts*, Amsterdam University Press, 1996

²³⁶ Braambusche, Anton van *The Value of Art – A philosophical Perspective*, in A. Klammer, *The Value of Culture – On the Relationship between Economics and Arts*, Amsterdam University Press, 1996

²³⁷ Ruccio et al, p 56

²³⁸ The ubiquity of “value” they argue is either motivated from the subjectivist or the objectivist understanding of value. The authors state that value is actually both, subjective and objective in many ways, but always a matter of a discourse. For example, Bourdieu’s “embodied cultural capital” is only accepted as such, if a discourse of value “says it is so”²³⁸. Ruccio et al, p 59

The discursivity of value is “contingent, specific and over determined “. While we are concerned here with how worth, appropriateness communication and interaction suggest that it may be mistaken to see them as all referring to a meta-concept of value. We adhere to the view that value categories emerge in different ways

In the book “The Value of Art – A Philosophical Perspective” Anton van Braambusche deconstructs the notion of value as an aesthetic terms. He calls attention to manifestations of the sublime, which would not only make measurement impossible but would render the application of the notion value pointless. Braambusche claims that economic notions of value do not capture important characteristics of culture, i.e. the ambiguity of art and the intrinsic role of reciprocity of culture.

We may add :the notion of value as a quantifiable measure is certainly difficult to quantify. On the other hand, economists and financial engineering have successfully quantified all sorts of entities, for example “risks”, which at first sight seem also hard to evaluate. And the chosen methodologies like stochastic have their critics. However, this discourse may lead too far for this context here. With Bourdieu’s qualitative distinctions between economic, social, cultural and symbolic capital, we feel we have a useful and applicable analytical too, which may not be quantifiable, but differentiates enough for our purposes.

The notion of value serves merely as organizational principles, criticize Ruccio, Graham and Amariglio argue in their *Reflections on Economic and Aesthetic Value*. We find, this is exactly a positive quality and transactional arts highlight the clashes of meanings *between* the various discourses.

Forms of Capital and their Conversions

So far we have explored various approaches to the notion of value as the entity to be as a core concept for transactional art from different backgrounds. We want to investigate now transactional art in the light of another – which we find most - unifying and integrative approach. Pierre Bourdieu’s “forms of capital” seems to basically grasp the various ideas about the notion of value, though not all details of the previously introduced

at different sites...To put it bluntly, we acknowledge that in the fields of economic and aesthetic value , there is a multiplicity of value that constitute their subjects in distinct and different ways.’’²³⁸ Ibid p. 60,

theoreticians.²³⁹ We feel his framework may be most suitable for the analysis of transactional arts, since it offers a view on the relationships between the various forms of value. The coexistence, superimposition and conversion of the various concepts of value seem to be the essence of transactional art.

Bourdieu speaks of forms of capital and not forms of values. We consider this difference as a kind of generalization, which seems useful when talking about entities, which are hard to quantify. The qualitative differences between the forms of values seem to us to be captured well by differentiation into the various forms of capital. We will try to show, that that in many cases of transactional art by the exchange of value, the involved forms of capital are actually converted according to Bourdieu's approach.

In his essay "Three Forms of Capital"²⁴⁰ Pierre Bourdieu introduces *economic social and cultural forms of capital*. He defines *capital* as accumulated labor and a form of social energy. "Capital is accumulated labor (in its materialized form or its 'incorporated,' embodied form) which, when appropriated on a private, i.e., exclusive, basis by agents or groups of agents. It enables them to appropriate social energy in the form of reified or living labor."²⁴¹

His aim is, to understand the structure and function of the social world in general. "The structure of the distribution of the different types and subtypes of capital at a given moment in time represents the immanent structure of the social world, i.e. the set of constraints,

²³⁹ Surprisingly, this text has not been published in French in this form, it has first been published in German and we will refer to its English translation here. See also Delsaut, Yvette.. *Bibliographie des travaux de Pierre Bourdieu, 1958-1988*. Paris, Centre de Sociologie Européenne du Collège de France, 1988.

²⁴⁰ Pierre Bourdieu *The Forms of Capital*: English version published 1986 in J.G. Richardson's *Handbook for Theory and Research for the Sociology of Education*, pp. 241–258.

²⁴¹ He also defines capital as power, see below.

inscribed in the very reality of that world, which govern its functioning in a durable way, determining the chances of success for practices.”²⁴²

For Bourdieu, capital acts as a social relation within a system of exchange, and the term is extended “to all the goods material and symbolic, without distinction, that present themselves as rare and worthy of being sought after in a particular social formation”. As we will see, transactional art may be considered as an art form which is concerned with the *conversions between these forms of capital*. The reduction of any form of capital to economic capital dominates economic theory.

*“Economic theory has allowed to be foisted upon it a definition of the economy of practices which is the historical invention of capitalism; and by reducing the universe of exchanges to mercantile exchange, which is objectively and subjectively oriented toward the maximization of profit, i.e. (economically) self-interested, it has implicitly defined the other forms of exchange as noneconomic, and therefore disinterested.”*²⁴³

The opposition of self-interestedness and disinterestedness depend on each other:

*“The class of practices whose explicit purpose is to maximize monetary profit cannot be defined as such without producing the purposeless finality of cultural or artistic practices and their products; the world of bourgeois man, with his double-entry accounting, cannot be invented without producing the pure, perfect universe of the artist and the intellectual and the gratuitous activities of art-for-art’s sake and pure theory.”*²⁴⁴

²⁴² Ibid.

²⁴³ Pierre Bourdieu, *The Forms of Capital* originally published as “*Ökonomisches Kapital, kulturelles Kapital, soziales Kapital.*” in *Soziale Ungleichheiten (Soziale Welt, Sonderheft 2)*, edited by Reinhard Kreckel. Goettingen: Otto Scharz & Co.. 1983. pp. 183-98. Translated by Richard Nice. P185

²⁴⁴ Ibid. p. 186

This argument may be questioned, even within the economic paradigm, which in the form of behavioral economics undermines the assumption of the rational, self-interested agent. And, the artist and cultural producer on the other hand, may have exactly his “interests” as well, perhaps the accumulation of the other forms of capital, which would still amount to an accumulation and therefore would also pursue their own interests. Bourdieu here connects interestedness and what he also calls non-economic or virtual forms of capital. However, he asks for a general theory of exchange where economic capital is only one form of many. Therefore a general science of economics should actually take all forms of capital into account and not only the economic one. “In other words, the constitution of a science of mercantile relationships which, inasmuch as it takes for granted the very foundations of the order it claims to analyze – private property, profit, wage labor, etc. – is not even a science of the field of economic production, has prevented the constitution of a general science of the economy of practices, which would treat mercantile exchange as a particular case of exchange in all its forms.”²⁴⁵

Transactional arts could be considered as an art-form taking exchange in all forms into account. The subject of transactional arts and the questions Bourdieu raises seem to converge, at least in many cases and in the potential of transactional art. Perhaps transactional art may count for Bourdieu’s “euphemization” and dissimulation²⁴⁶:

“A general science of the economy of practices, capable of reappropriating the totality of the practices which, although objectively economic, are not and cannot be socially recognized as economic, and which can be performed only at the cost of a whole labor of dissimulation or, more precisely, euphemization, must endeavor to grasp capital and profit in all their forms and to establish the laws whereby the different types of capital (or power, which amounts to the same thing) change into one another.”

²⁴⁵ Ibid, p 189.

²⁴⁶ (German: “Verschleierung”)

Since Bourdieu equates capital with power, a whole new range of interpretations are possible. Forms of power are created, accumulated and reflected in transactional art, but always from a subjective point of view, always embedded within a mesh of existing powers and given conditions. Therefore transactional art is perhaps more than any other art-form entrenched in the social domain. Transactional art is the art of the conversions of forms of capital and or power, investigations of these “conversion rates” as artistic subjects, therefore in the domain of cultural production.

Many transactional artworks obviously engage with financial values and use even explicit monetary means as part of the involved transactions. Therefore economic capital is perhaps easy to detect in artworks, since it tends - till today - signify an intrusion to any art work.

Economic Capital

Bourdieu does not explicitly list the properties of economic capital. He seems to make common sense assumptions about economic theories which he does not explicate in detail. From his remarks on value, he seems to operate in the tradition of labor theory of value. However, *economic capital* commands over economic resources such as monetary values, cash and assets. “It is immediately convertible into money and can be institutionalized in the forms of property rights.” And, economic capital after all is the bottom line, to which all other forms of capital can be converted to or at least relate somehow. In this sense, economic capital has the status of a fundamental, not only in Bourdieu’s approach but also for us looking at transactional arts. We will have to discuss, if it is a prerequisite for transactional arts or not after we have analysed some examples.

We will see many transactional artworks, which make use of economic capital in one way or the other. Economic capital can create businesses and thereby produce more capital, be it through repeatable business models, investments and/or speculation. Many transactional artworks qualify actually as “art about business” and generate economic capital. Examples include the online value chains, such as Marcel Duchamp’s early works, Yves Klein selling void space for gold, but also new media works, such as Google-Will-Eat-Itself and We-make-money-not art.

Cultural Capital

Under cultural capital Bourdieu subsumes various forms of knowledge, skills, education, and advantages that a person has, associated with a higher status in society. For example, parents provide their children with cultural capital by transmitting the attitudes and knowledge needed to succeed in the current educational system. Cultural capital is convertible, on certain conditions, into economic capital and may be institutionalized in the forms of educational qualifications. Cultural capital apparently acts as a social relation within a system of exchange that includes the accumulated cultural knowledge that confers power and status²⁴⁷.

Cultural Capital is comprised of three subtypes: embodied, objectified and institutionalized. In its *embodied* state is where cultural capital is embodied in the individual. It is both the inherited and acquired properties of one's self. Inherited refers not in the genetic sense, but more in the sense of time, culture, and traditions which bestow elements of the embodied state to another usually by the family through socialization. It is not transmittable instantaneously like a gift. It is strongly linked to one's habitus - a person's character and way of thinking. Cultural Capital is the "best hidden and socially most determinant educational investment, it is transmitted domestically, within the family, and thereby generates, what Bourdieu also calls human capital.

"The work of acquisition [of cultural capital] is work on oneself (self-improvement), an effort that presupposes a personal cost (on paie de sa personne, as we say in French), an investment, above all of time, but also of that socially constituted form of libido, libido sciendi, with all the privation, renunciation, and sacrifice that it may entail."

Embodied capital is work of an individual on himself; it is unavoidable sweat and effort, in order to gain it. We may consider it on a neurological level, it is the creation of brain synapses through learning. "This embodied capital, external wealth converted into an integral part of the person, into a habitus, cannot be transmitted instantaneously (unlike money, property rights, or even titles of nobility) by gift or bequest, purchase or exchange.

²⁴⁷ Harker, R., *Education and Cultural Capital* in Harker, R., Mahar, C., & Wilkes, C., (eds) *An Introduction to the Work of Pierre Bourdieu: the practice of theory*, Macmillan Press, London, 1990.

“ And, cultural capital cannot be separated from the person who has it (therefore Bourdieu uses also the expression “human capital”). All attempts to measure it by the amount of mere time to acquire it, is misleading.

“It can immediately be seen that the link between economic and cultural capital is established through the mediation of the time needed for acquisition. Differences in the cultural capital possessed by the family imply differences first in the age at which the work of transmission and accumulation begins-the limiting case being full use of the time biologically available, with the maximum free time being harnessed to maximum cultural capital – and then in the capacity, thus defined, to satisfy the specifically cultural demands of a prolonged process of acquisition.”

However, Bourdieu is aware, that time alone is not a precise measure for the acquisition of cultural capital.²⁴⁸

Transactional art may require as any artwork some sort of embodied cultural capital: but, perhaps besides and aesthetic training, it encompasses some sort of economic knowledge which is usually not part of the refined taste of a well educated, sophisticated art audience. Interesting enough transactional art requires some sort of education, which seems to contradict the high-brow sophistication, in the sense that it is more the know-how and mental mind set of the parvenu, still concerned with the securisation of his economic necessities, than the more liberated, bourgeois cultural elite.

Is transactional art therefore a step backwards, an art-form, which is adequate and should theoretically occur in e.g. less developed countries, where people are busy to guarantee their financial independence in societies without a social welfare state, facilitating creative production besides personal wealth? Theoretically, perhaps yes, but, empirically, we have to admit, that the examples of transactional art actually occur mostly in the West and not in emerging countries. And, we would also argue, that transactional art is a sophisticated reflection of the economic system, often in a critical fashion against capitalism, and

²⁴⁸ Other determinants which are coming to mind are intelligence, which he does not seem to address explicitly.

therefore is actually in the continuation of refinement and sophistication. Like any other subject to art, transactional art reflects a *conditio humana*, and this is here the world of exchanges and the ubiquitous business-principles.

Why hasn't there been more transactional art around and more explicit? Perhaps one answer is that from the strong tradition of disinterestedness, transactional art and making profits were considered a too fundamental violation of the principles of aesthetics (see below).

And, we argue, transactional art would not have been possible before a developments of in the art of the 20th century: art became with Duchamp's ready-mades processes, where objects became concepts due to conceptual art, emphasizing the value of an idea. And art became in general public and reflected phenomena of the public spaces, therefore also - we may argue - economic activities.

Cultural Capital in its objectified state refers to objects which are somehow a property, such as scientific instruments or works of art. These cultural goods can be transmitted physically (e.g. sold) thereby generating economic capital and "symbolically" cultural capital. E.g. one can possess objectified cultural capital by owning an artwork. But for "consuming" the painting, i.e. understanding its cultural meaning one has to have the adequate type of embodied cultural capital, i.e. cultural education to worship its aesthetic value. This requirement may or may not be transmitted with the acquisition of the art work.

“Thus cultural goods can be appropriated both materially – which presupposes economic capital – and symbolically – which presupposes cultural capital. It follows that the owner of the means of production must find a way of appropriating either the embodied capital which is the precondition of specific appropriation or the services of the holders of this capital.”

The objectified cultural capital however is closely entrenched with the other forms and depends always on the interpretative skills of the individuals involved, and therefore its embodied sibling, the cultural capital. Obtaining profits in objectified cultural capital relies on the “mastery” of the cultural capital and therefore again on the embodiment.

“Cultural capital in its objectified state presents itself with all the appearances of an autonomous, coherent universe which, although the product of historical action, has its own laws, transcending individual wills, and which, as the example of language well illustrates, therefore remains irreducible to that which each agent, or even the aggregate of the agents, can appropriate (i.e., to the cultural capital embodied in each agent or even in the aggregate of the agents). However, it should not be forgotten that it exists as symbolically and materially active, effective capital only insofar as it is appropriated by agents and implemented and invested as a weapon and a stake in the struggles which go on in the fields of cultural production (the artistic field, the scientific field, etc.) and, beyond them, in the field of the social classes – struggles in which the agents wield strengths and obtain profits proportionate to their mastery of this objectified capital, and therefore to the extent of their embodied capital.”

As we will see, transactional artists have felt the need to objectify especially the ephemeral character of their exchange-based art. The art-group Etoy who issued shares of their “corporation”, felt, that issuing these as brass plates would make it easier for the art audience to accept. And also Jeff Gates trying to auction off his personal data, tried the strategy to objectify his artwork in the form of some etchings. Cultural capital, if it is meant to appear on the art market, is easier recognizable as a value if it is objectified. This is a conflict conceptual and installation artists, who regularly explore non-objectified art-forms experience. And this applies as well to transactional art, which stands in the tradition of conceptual art.

An interesting interaction between cultural capital as objectified cultural capital and economic value illustrates the following anecdote, conveyed by Tobias Vogt in “Untitled”²⁴⁹. Many abstract expressionist painters, such as Clifford Still, Jackson Pollock, Barnett Newman etc. decided not to assign titles to their works. Gallery owners would

²⁴⁹ Tobias Vogt, *Untitled - Zur Karriere Unbetitelter Kunst in der Jüngsten Moderne* (The Career of Untitled Art in Recent Modern Art), Fink Wilhelm Verlag, 2006.

struggle then to refer and sell these works. So if gallery owners or the artists assigned titles to the same works, they would actually become much more sellable. To facilitating reference, the economic value increased, even though one may argue, the conceptual stringency and therefore aesthetic value was actually reduced, since the abstract expressionists intended mostly to defer any form of reference. An inverse logic, and as Vogt quotes Bourdieu: The one who loses, wins.

Cultural Capital in its *institutionalized* state is e.g. the institutional recognition of the cultural capital held by an individual, most often understood as academic credentials or qualifications. This is mainly understood in relation to the labor market. It facilitates the conversion of cultural capital to economic capital by guaranteeing a certain monetary value for a certain institutional level of achievement.

“By conferring institutional recognition on the cultural capital possessed by any given agent, the academic qualification also makes it possible to compare qualification holders and even to exchange them (by substituting one for another in succession). The Furthermore, it makes it possible to establish conversion rates between cultural capital and economic capital by guaranteeing the monetary value of a given academic capital. This product of the conversion of economic capital into cultural capital establishes the value, in terms of cultural capital, of the holder of a given qualification relative to other qualification holders and, by the same token, the monetary value for which it can be exchanged on the labor market (academic investment has no meaning unless a minimum degree of reversibility of the conversion it implies is objectively guaranteed).”

Here, Bourdieu explicitly establishes the mechanism of the conversion rate between cultural and economic capital.

“Because the material and symbolic profits which the academic qualification guarantees also depend on its scarcity, the investments made (in time and effort) may turn out to be less profitable than was anticipated when they were made (there having been a de facto change in the conversion rate between academic capital and economic capital).”

Modern insitutionalist economics would argue the acquisition of institutionalized cultural capital is a mechanism of risk-management in the society. Degree holders, are certified and represent a reduced risk for the society, as they have skills and training, and are therefore more likely to deliver in the mesh of division of labor.

There are a few transactional artworks reflecting institutionalized cultural capital. The online shop “Mejor Vida”, for example is an art-store, which offers diplomas online, therefore offering not only a short-cut for the avoidance of the pains involved in the acquisition of cultural capital, but also reflecting the next form of capital - social capital.

Social Capital

Under *social capital* he refers to resources based on group membership, relationships, networks of influence and support. Bourdieu defines social capital as "the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition– or in other words, to membership in a group".*Social capital*”, he says, is made up of social obligations (‘connections’), and is convertible, in certain conditions, into economic capital and may be institutionalized in the forms of a title of nobility”. He is focusing on the advantages to possessors of social capital and the “deliberate construction of sociability for the purpose of creating this resource”.

“The volume of the social capital possessed by a given agent thus depends on the size of the network of connections he can effectively mobilize and on the volume of the capital (economic, cultural or symbolic) possessed in his own right by each of those to whom he is connected. This means that, although it is relatively irreducible to the economic and cultural capital possessed by a given agent, or even by the whole set of agents to whom he is connected, social capital is never completely independent of it because the exchanges instituting mutual acknowledgment presuppose the re-acknowledgment of a minimum of objective homogeneity, and because it exerts a multiplier effect on the capital he possesses in his own right.”

Social capital however, can be transformed into material profits and therefore economic capital, for example through membership of exclusive clubs, which then provide certain

economic privileges. And, they may be converted into symbolic capital, as these exclusive clubs offer symbolic capital derived from the rare and prestigious groups.

Social capital cannot be easily reproduced and it tends to rise with its size:

“The reproduction of social capital presupposes an unceasing effort of sociability, a continuous series of exchanges in which recognition is endlessly affirmed and reaffirmed. This work, which implies expenditure of time and energy and so, directly or indirectly, of economic capital, is not profitable or even conceivable unless one invests in it a specific competence (knowledge of genealogical relationships and of real connections and skill at using them, etc.) and an acquired disposition to acquire and maintain this competence, which are themselves integral parts of this capital. This is one of the factors which explain why the profitability of this labor of accumulating and maintaining social capital rises in proportion to the size of the capital. Because the social capital accruing from a relationship is that much greater to the extent that the person who is the object of it is richly endowed with capital (mainly social, but also cultural and even economic capital), the possessors of an inherited social capital, symbolized by a great name, are able to transform all circumstantial relationships into lasting connections.”

In an age of social networking sites there are many opportunities for media artists to reflect social capital. Internet sites make social networks visible, which otherwise were not possible to perceive this way. An example is the network visualization of Josh On, “They Rule”²⁵⁰ where he displays data about the structures of power of leading American multinational corporations, thereby displaying the economic elite of the US.

Sciences have developed to study the types of relationships which occur between people and their positions in networks. We will also come across artworks, which deliberately reflect the mechanisms of social exclusion and inclusion. Often these kinds of works subversively try to deliberately violate these mechanisms. The Cory Arcangel Golden Ticket Project (see below) is another example, where galleries can win a ticket to an

²⁵⁰ On, Josch; *They Rule*, www.theyrule.org

exclusive art show, where they would otherwise not have access to due to a selection by the organizers

The motif of social exclusion is reflected by Bourdieu on his view on the title of nobility:

“The title of nobility is the form par excellence of the institutionalized social capital which guarantees a particular form of social relationship in a lasting way. One of the paradoxes of delegation is that the mandated agent can exert on (and, up to a point, against) the group the power which the group enables him to concentrate. (This is perhaps especially true in the limiting cases in which the mandated agent creates the group which creates him but which only exists through him.)”

Of course any artwork in the framework of relational aesthetics (as discussed above) involves social capital, or at least social relations and thereby always implicitly social capital.

Symbolic Capital

Finally, symbolic capital can be referred to as the resources available to an individual on the basis of honor, prestige or recognition, and functions as an authoritative embodiment of cultural value. Bourdieu added this form of capital in “The Distinction”²⁵¹ (and elaborates in the “The Logic of Practice”²⁵²) addressing the resources available to an individual on the basis of honor, prestige or recognition.

A war hero, for example, may have symbolic capital in the context of running for political office. According to Bourdieu, symbolic capital cannot be converted to other forms of capital (economic, cultural, and social). Rather, these latter three can have also symbolic value. For example a car may have both economic and symbolic value. Value of any given object in Bourdieu’s sense is therefore is always a sum of its symbolic and other capital.

²⁵¹ Bourdieu, Pierre; *Distinction: A Social Critique of the Judgement of Taste*. London: Routledge, 1984.

²⁵² Bourdieu, Pierre; *The Logic of Practice*, Stanford University Press, 1990, original: *Le sens pratique*, Les Editions de Minuit, 1980.

Symbolic capital is always defined by the value system in which it is valued. Different value systems value the same object differently: for some, a car as economic capital has less symbolic value than for others. The concept of conspicuous consumption becomes an indicator of symbolic capital.

Concerning the terminology: there seems no fundamental contradiction between Bourdieu's understanding of symbolic capital and Baudrillard's elaboration. Both authors participate we would say basically on the same discourse, about alternatives to economic values and how these concepts affect society.

Conversions of Forms of Capital

We find Bourdieu's notions of capital very useful for the understanding of transactional arts. Many artworks are actually trying to converse forms of capital into each other.

“So it has to be posited simultaneously that economic capital is at the root of all the other types of capital and that these transformed, disguised forms of economic capital, never entirely reducible to that definition, produce their most specific effects only to the extent that they conceal (not least from their possessors) the fact that economic capital is at their root, in other words – but only in the last analysis – at the root of their effects.”

However, everything can ultimately be reduced to the economics in the traditional sense. Here Bourdieu admits, that apparently any form of capital can ultimately be related to economic capital.

“The real logic of the functioning of capital, the conversions from one type to another, and the law of conservation which governs them cannot be understood unless two opposing but equally partial views are superseded: on the one hand, economism, which, on the grounds that every type of capital is reducible in the last analysis to economic capital, ignores what makes the specific efficacy of the other types of capital, and on the other hand, semiologism (nowadays represented by structuralism, symbolic interactionism, or ethnomethodology), which reduces

social exchanges to phenomena of communication and ignores the brutal fact of universal reducibility to economics.”

Bourdieu argues in the tradition of the labor theory of value, which as we saw earlier, was challenged.

“The universal equivalent, the measure of all equivalences, is nothing other than labor-time (in the widest sense); and the conservation of social energy through all its conversions is verified if, in each case, one takes into account both the labor-time accumulated in the form of capital and the labor-time needed to transform it from one type into another.”

However, his intuitions about the conversions between the forms of capital seem to remain valid, even if one would assume a more subjectivist approach to value theory.

Bourdieu describes potential forms of conversion; all conversions may happen under certain conditions, never automatically and their “conversion-rates are not surprisingly never quantified or formalized within Bourdieu’s writings.”²⁵³

	Economic Capital (EC)	Cultural Capital (CC)	Social Capital (SoC)	Symbolic Capital (SyC)
Economic Capital	EC-> EC Not explicated by Bourdieu: business models, investment principles of risk and reward (not elaborated by Bourdieu), compounded interest etc. Institutionalized in property rights.	EC-> CC Education as <i>Institutionalized</i> cultural capital	(additional to Bourdieu): EC->SoC Access to social circles, e.g. boarding schools and exclusive social networks based on economic capital.	EC-> SyC Conspicuous consumption of luxurious products, membership through circles which require economic capital, but not necessary cultural capital – e.g. “nouvelle riche”

²⁵³ Additional to Bourdieu” refers to conversion, which Bourdieu did not explicitly mention in his essay.

Cultural Capital	<p>CC-> EC Institutionalized CC(education) can be capitalized since it pays off on labor market</p> <p>CC->EC <i>Embodied:</i> domestic and academic transmission of cultural capital (leading to human capital) <i>objectified:</i> e.g. artistic products sold on art market, require EC for their production.</p>	<p>CC-> CC Accrued cultural capital (more cultural capital is easily converted into more cultural capital)</p>	<p>Additional to Bourdieu: SoC-> CC Through exclusive social networks access to Cultural Capital</p>	<p>SyC-> CC Not really applicable?</p>
Social Capital	<p>SoC -> EC Material profit through privileges for exclusive groups and e.g. exclusive business opportunities</p>	<p>CC-> SoC (not Bourdieu) Access to exclusive circles – “nouvelle riche”</p>	<p>SC-> SC Accrued social capital (more social capital is easily converted into more cultural capital)</p>	<p>SoC -> SyC Display of exclusivity and membership of prestigious groups.</p>
Symbolic Capital	<p>SyC-> EC SYC is an aspect of EC, e.g. “Brand-Value” Mere SyC is converted into EC in fraudulent cases of e.g. masqueraders and con art.</p>	<p>SyC-> CC If membership to a prestigious group actually generates CC</p>	<p>Additional to Bourdieu CC-> SoC Access to exclusive circles – “nouvelle riche”</p>	<p>SyC -> SyC Accrued symbolic capital (more symbolic capital is easily converted into more symbolic capital)</p>

Forms of Capital and their Conversions into each other.

Are these all forms of capital which exist and which may occur in transactional arts? Or needs this list to be extended. Of course one may think of other forms, such as political capital e.g. Rather than discussing this aspect theoretically, let's return to this question in our own transactional art-practice. For example: under which kind of capital would we subsume the value of an insurance- and other contracts used for hedging? Is there an additional form of capital, which in itself is of a meta-nature, as it actually tries to overcome destiny and the "in-exchangeability" of death, since these contracts may be viewed as attempts to soften the hardships of destiny (see above, section impossible exchange)?

For now we would like to add to our hypothesis of transactional arts as an exchange of value the element of the conversion of capital within the artwork. In transactional arts, artists play with the various forms of capital and transform them into each other, exchange them with each other and or create ambiguities and overlays of meaning of these concepts – thereby raising the questions of value, the exchange rates, subjectivity, utility, aesthetic value, and disinterestedness of the aesthetic judgment. Let us now try to look at a set of artworks, which we believe qualify as candidates for transactional arts.

PART III CASES OF TRANSACTIONAL ARTS

To do:

Yann Toma, Bureau of Exchange - Afro exchange, see art and flux

Gilles Mahe: Art&Gents

AMD Nicola: Bank of Temps perdue

In this section we will introduce various cases of transactional arts. We will start with the historic example of Duchamp and then move on to contemporary art with a special focus on arts making use of new media. We differentiate between personal transactions and individuals and institutional transactions, where organizations are involved. In a third group we subsume artworks, where transactional systems, e.g. market-platforms are the

subject. Transactional systems are on a different level as they *facilitate* transactions of various parties.

We will analyze the works with the general theoretical concepts we have in the previous chapter, especially the various understandings of the concept of value and the various forms of capital. For the section of institutional transactions I rely on microeconomic approaches to businesses, and basically the various disciplines to run organizations, such as corporate finance, strategic management and the various processes, such as production, distribution, marketing etc. Of course one could have tried to present the artistic examples grouped according to the kind of conversion of capital or according to the most relevant notion of value. However, I found this approach not feasible, as in many works various aspects of our analytical instruments occur and also the co-existence and overlapping of the different interpretations create the complexity of the art. However, it could be subject to further research.

Together with the theoretical apparatus from economics, the gathering, analysis and classification of these examples were highly inspirational for our own artistic work on transactional art. For the future, there could be a “dialectical” cross-fertilization between the theoretical framework of transactional art, the examples and classification we introduce and artistic practice and vice versa – leading potentially to the refinement and evolution of both domains.

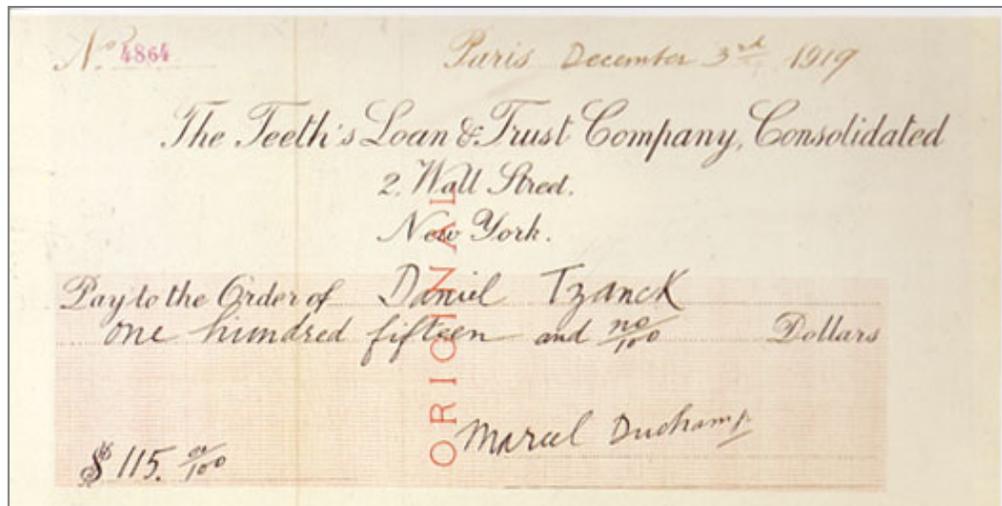
Induction: What are the general characteristics of transactional arts. Goodman..is it a inductive approach..i just find it more plausible to sum up the main characteristics at the end, rather than introducing them upfront. For establishing the category of transactional art.

What makes these transactional artworks art? As we will see, many of the works actually

Paradigmatic Example: Duchamp - An Early Transactionalist

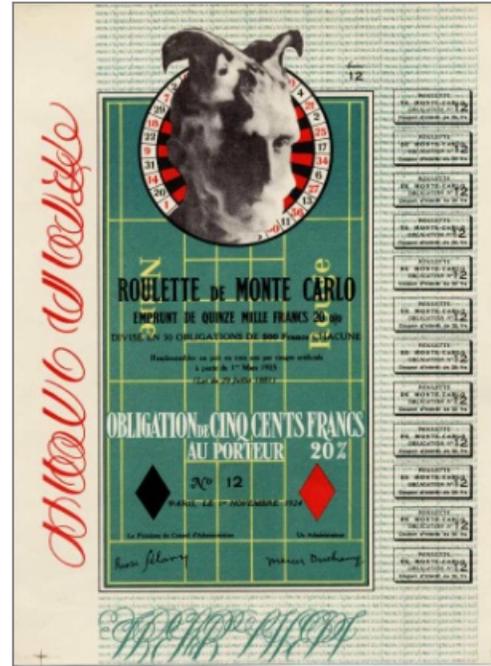
Marcel Duchamp may be considered as an early “transactionalist”. Reflecting value and a fascination for financials was a trait of Duchamp, which accompanied him throughout his production.

In 1919 Duchamp paid his dentist, Daniel Tzanck, a passionate art collector, with a hand drawn enlarged facsimile cheque as compensation for services rendered and as a piece of art at the same time. In 1965 interesting enough, two other cheques followed *Cheques Bruno 1965* and the *Czech Check* to different recipients. The Tzanck Cheque was drawing to an account at "*The Teeth's Loan & Trust Company Consolidated of New York*" for the amount of 115 dollars, it is also clearly fraudulent. According to the records, Duchamp later bought it back from his dentist for a price greater than its nominal value, which is not surprising, since Duchamp was probably aware of the additional forms of capital which the works had accumulated, such as its cultural value as a collector's object.



Marcel Duchamp, Tzanck Check, Original Version 1919

In 1924 Duchamp issued 30 "Monte Carlo Bonds" over 500 Francs each, and apparently raised funds from his friends in order to play Roulette at the Monte Carlo Casino promising 20% p.a. interest redeemable in three years. However, his gambling strategy did not beat the odds, but he didn't lose either and paid only once 10% interest, one year later.



2. Marcel Duchamp, Monte Carlo Bond (No. 12) 1924

According to written records, Duchamp did never pay back the principle and, if the numbers are correct, made a profit of 13.500 Francs (initially 15.000 raised, paid back $30 \times 50 = 1.500$). In purely financial terms, or economic capital, the purchase of the bond for the investors may appear as a loss, but considering the deal as the acquisition of an original Duchamp artifact (that even earned a 10 % return) – cultural capital - it may be construed as a great buy. As with his ready-mades, the accomplished artist Marcel Duchamp creates value by an act of declaration - here in the form of an amicable deal (a contract represented by an artistically designed and signed bond certificate) with his audience, i.e. collectors.

Let's analyze the two examples with our notions of value: The artifacts have obviously some sort of value of labor – producing the artifacts, which are hand drawn and Duchamp's actually complains about amount of effort it took him to meticulously copy the details of the cheque.

In the case of the cheque there is a clear exchange value, which is in Economic Capital the value of the treatment. In the case of the bond, it is the value of the promised capital (time-value of money). Obviously there is some sort of additional value, and Marx would argue – a case of commodity fetishism – since the artefacts have some attribute, which extend

their mere use value. This additional value may be called symbolic value in the sense of Baudrillard – some sort of value, which embeds the art-pieces into the world of other artworks and the system of inter-relationships of references in the postmodern sense. Of course, there was some sort of sign-value as well, showing the arte-facts in relation to other individuals. The symbolic value emerges in relation to other artworks, which have not the prestige of being a “original Duchamp.”

The notion of originality of course is another complexity has been discussed in the literature excessively. We will here only keep it in mind, that the cheque is a hand drawing, the bond was a print, therefore had an element of reproducibility in it. The fact that Duchamp is mimicking originals, which are meant to be not copied since they are financial documents, is another aspect of his provocative and humorous esprit.

Symbolic Exchange? – What else is this whole art work, than a demonstration of a symbolic exchange overcoming use and other understandings of value. Duchamp himself liberates himself from the use value of his art by exactly defining it by himself as having a use value and an exchange value.

Let’s not forget Jevons’s marginal utility: this notion is also here applicable, though offers a bit a remote track of thought: would someone like to be *only* be paid in Duchamp artifacts? No, a dentist would probably not want to be only paid by “Duchamps”, but perhaps after some insight and considering the massive appreciation, they may would. Same for investors: investing only in Duchamp’s may violate common and widely spread heuristics for portfolio management like risk –diversification – but why not – bet all the fortune on a Duchamp. So there may not be a diminishing marginal utility in this case.

However, we find actually Bourdieu’s approach much more elegant, since it unifies somehow all other ideas about value: Duchamp transforms cultural capital into economic capital, the collectors need to be connected to an (informal) network around Duchamp and they gain not only the cultural capital, of true Duchamp artifacts, but also the symbolic capital coming along with it. All these are factors of the ex-change value in terms of economic capital on the art-market, if they should decide to divest the art pieces.

In the Chapter on “Art and Economics” of her book “ Unpacking Duchamp” ²⁵⁴Dalia Judovic asks explicitly “Is it business or is it art?” and quotes Duchamp: “Money was always over my head.” She explicitly draws the connection between Duchamp’s playful “commercial activities” and the notions of value.

“There is one detail in Marcel Duchamp's lengthy artistic career that troubles both his sympathizers and critics alike: the fact that he bought and sold paintings, those of others, as well as his own. Pierre Cabanne questions Duchamp's forays into commercial activity, since they blatantly contradict his own expectations of Duchamp's artistic attitude and supposed "detachment" from material concerns.²⁵ Cabanne is not alone in asking these questions. When asked about why Duchamp allowed an expensive edition of ready-mades to be done by Arturo Schwarz, John Cage echoes Cabanne's sense of contradiction:

"Why did you permit that, because it looks like business rather than art" and so forth. Marcel admitted that it could be so interpreted, but it did not disturb him. He was extremely interested in money. At the same time, he never really used his art to make money. And yet he lived in a period when artists were making enormous amounts of money. He couldn't understand how they did it. I think he thought of himself as a poor businessman. These late activities were like business.

Still, Cage has problems with the late editions of the ready-mades, which, unlike the "original" editions, he now considers to be like "business." While Cage recognizes Duchamp's caution and discipline in not “extending the notion of the Ready-mades to everything," as well as his original difficulty of coming to the decision to make them, he also feels that later in life, Duchamp abandons this caution and "would sign anything that anyone asked him to." Thus, while Cage is able to recognize the limited edition aspect of the ready-mades, he is unable to deal with Schwarz's reissuing them as a "second edition." Whereas Cage is willing to

²⁵⁴ Judovitz, Dalia. *Unpacking Duchamp: Art in Transit*. Berkeley: University of California Press, 1995.
<http://ark.cdlib.org/ark:/13030/ft3w1005ft/>

assume Duchamp's initial signature as the signature of the artist, he is uncertain whether the second signature is not merely that of the businessman.

A “signature as a businessman” would indicate a speculative conversion of the cultural capital into economic capital.

The effort to extricate art from economics proves to be extremely difficult, since Duchamp's oeuvre stages significant questions regarding the effects that the ready-mades, as reproducible objects, will have on the relation between art and economics, as well as the definition of the artist as author and guarantor of artifacts.

This section refers to the relationship between the production-value of artworks in general and the special case of the production value, which seems close to zero value adding by the artist for ready-mades.

Cages and Cabanne's difficulty in reconciling art and business reflects the fundamental prejudice in the Western conception of the artist, which supposes art to be entirely removed from the economic sphere. There is however something fundamental shared by art and economics: the notion of value. It can be argued that value in art is an abstraction, since masterpieces are so valuable that they are often priceless. Yet the same is true of the value generated by commercial transactions, insofar worth is relative to the system of exchange that generates it. What fascinates Duchamp is the process by which a work acquires artistic and commercial value. The production of value entails, for him, a social and speculative dimension. In his Interview with Cabanne Duchamp describes his earliest venture into commercial activity “sometime before 1934”.

We try to elaborate Judovic’s interpretation with our instruments and rely in your analysis on the conversion of capital. The following table refers to the in the Duchamp pieces of the Tchank Cheque (TC) and Monte Carlo Bond (MCB).²⁵⁵:

	Economic Capital (EC)	Cultural Capital (CC)	Social Capital (SoC)	Symbolic Capital (SyC)
Economic Capital	EC-> EC Theoretical Accrued return of investment for the bond holder.(MCB)	EC-> CC Besides his formal artistic education , Duchamp comes from a culturally very sophisticated family	(additional to Bourdieu): EC->SoC For the bond holders: access to an informal network of Duchamp collectors.	EC-> SyC Acquisition of the symbolic value of a real Duchamp arte fact.
Cultural Capital	CC-> EC Duchamp’s art work raises financial capital (MCB). Has the exchange value to pay for a dentist treatment. (TC) <i>Embodied CC:</i> as Duchamp himself <i>Objectified CC:</i> Bond and Cheque required material for their production n.	CC-> CC Appreciation of the cultural capital of the artefacts in cultural terms-	Additional to Bourdieu: SoC-> CC Only friends of Duchamp were able to get the Bond/Cheque, if one wasn’t somehow in the network, one would not have gotten it in the first place.	SyC-> CC Not applicable?
Social Capital	SoC -> EC Being in the circles around	CC-> SoC Expertise about art etc. which may	SC-> SC Social Capital and Renomee	SoC -> SyC Potentially display of the

²⁵⁵ “Additional to Bourdieu” refers to conversion, which Bourdieu did not explicitly mention in his essay.

	Duchamp allows to have access of the artefacts as CC which can be converted into EC.on the art market.	qualify to be part of the Duchampian circles.	may rise (more a function of the increase of the EC associated with the Duchamp artefacts)	Duchamp artefacts as status symbols
Symbolic Capital	SyC-> EC Symbolic Capital as one additional aspect of EC. If subject to a fraud, then the alleged SyC of a real Duchamp is subject to the conversion to EC	SyC-> CC Non Art-lovers may become through the exposure to the SyC of the artpieces true art-lovers, embodying CC	Additional to Bourdieu SyC ->SoC Access to exclusive circles – “nouvelle riche”	SyC -> SyC Accrued symbolic capital (more symbolic capital is easily converted into more symbolic capital)

Forms of Capital and their Conversions into each other.

Duchamp himself provocatively converses his cultural capital into economic capital – violating the somehow the unspoken taboo, that artists should not enrich themselves *as part of their art*.

Duchamp’s deal, is actually crafted along a variety of interpretations of the notion of value: that of Duchamp’s conceptual and artistic work in creating the bond, the value of an “original” Duchamp art piece for a collector and on the art-market, the aesthetic value of the pleasures of being inspired (open also to non-possessors) and the price or face value (in economic capital) for which the bond is sold. The complexity of this transactional art object is derived from the interplay of the various forms of capital. Interaction becomes transaction manifested as a financial instrument, issued and authorized by a self-empowered artist who actually benefited financially. Self empowered, since the privilege of issuing of financial instruments is normally reserved for organizations within a highly regulated domain in an economy.

As mentioned earlier, artworks with a transactional component tend to challenge a fundamental western aesthetic conception demanding art to be entirely separate from the economic sphere. Thus was Duchamp repeatedly accused of lacking detachment from

material concerns, though he appeared to be mainly interested in the speculative and provocative aspects of his works. As the mastermind of the art of the 20th century and beyond, Duchamp seems to have anticipated also the core mechanisms of transactional art.

Individual Transactions

The first category is individual transactions, meaning we will focus on transactions between individuals. This individual is often the artist, sometimes also his audience. The mentioned artworks all have a rather intuitive and non-theoretical approach and do not refer to the discourse of economic exchange and the professional field in the business-practices, such as financial planning in retail banking.

Asymmetric Exchanges, Give Aways and the Denial of Profits

Often artists act in opposition to economic principles e.g. the artists generate some values but give them away or deny taking the profit. This is in many cases a deliberate choice in opposition to economic principles and a critique of capitalism. The idea to discard profits may be motivated by the principles of 18th century aesthetics as discussed.

Especially when a transaction happens between artist and audience, artists seem to waste potential gains thereby apparently contradicting the central premise of modern economics assuming a “rational agent” pursuing maximal profit. The notion of the rational agent though has been heavily criticized within the economic disciplines in the meantime, such as in behavioral economics and behavioral finance²⁵⁶.

Art as a give-away may interpreted in the context of George Bataille’s theory of consumption²⁵⁷, where he states in the introduction that “that the extension of economic growth itself requires the overturning of economic principles—the overturning of the ethics that grounds them.”The “accursed share is an excessive and non-recuperable part of any economy which is destined to one of two modes of economic and social expenditure: it

²⁵⁶ E.g. Dan Ariely investigating the irrationality of choices in: Predictably Irrational, Harper Collins New York, 2008.

²⁵⁷ Georges Bataille, *La Part maudite*, 1946 and 1949, translated, *The Accursed Share*, 1991

must either be spent luxuriously and knowingly without gain in the arts, in non-procreative sexuality, in spectacles and sumptuous monuments, or it is obviously destined to an outrageous and catastrophic outpouring in war.”

In these kinds of artworks one may argue, is economic capital spent often in creation of social capital. Artists create events, online or offline, where the audience has an opportunity to learn about each other, become a community and/or interact in other ways together.

A famous historic example of non-profitable transaction in economic terms (and therefore art as give- away) is Yves Klein’s work “Void” from 1958. Klein managed to sell void space in Paris for gold, which he afterwards threw into the river Seine²⁵⁸. As if selling void is an illegitimate activity, the profit has to be wasted afterwards “in order to restore the "natural order" that he had unbalanced by selling the empty space.



Yves Klein, Void, around 1958

Klein makes the audience exchange economic values (gold) for an aesthetic value (the concept), but then, treats this concept as a “nothing” or void. Though he does not reimburse the audience (perhaps because after all they received a compensation, the aesthetic value) he does “return” the raised funds to a non-entity, which is basically the public space, where they diminish. Economic value is exchanged for aesthetic value, then the gain is reflected in somehow economic terms and the artist does not feel entitled to keep the profit. This

²⁵⁸ Stahl, J. Kunst als Giveaway, <http://www.uni-bonn.de/~uph60016/texte/givestahl.htm>

may be considered as a statement about the aesthetic value he thinks he has delivered, or a way to avoid an obligation within this “deal”.

There are many artworks, where the artist is actually giving for free an entity of value to the audience. According to Johannes Stahl²⁵⁹, Plinius, the younger, refers to the painter Zeuxis, who was so convinced about the quality of his art that he considered any price for it as too low and therefore he would have to give away his art as a present. Another example is the Trojan horse, argues Johannes Stahl – art as a gift with strings attached. .

Artists have not only offered all sorts of objects but also services for free. E.g. Daniel Spoerri and Rirkrit Tirivandja create events where they organize dinners. In the sense of Bourriaud’s relational aesthetics, the audience is sharing a genuinely social activity – dining together. Jerry Saltz comments²⁶⁰:

“Tiravanija is a Potlatch-Conceptualist. The Native American potlatch is a banquet lasting several days, given by a member of the tribe: artistically speaking, that's what Tiravanija does for his art-world tribe. He cooks, you come; he gives, you take. The word potlatch means "big feed," hence Tiravanija is a "feeder." In the dialect of the Northwest Haida tribe, potlatch also means "killing wealth"; in other words, to give something for free is to underline wealth. Tiravanija seems to suggest that as wealth is accumulated, fewer and fewer people can enjoy it. To buy means to strike a deal. Things are clearly understood--a stasis occurs. A gift is different. A gift is more mysterious than property. The weight of a gift continually shifts from giver to receiver, creating reciprocal obligations. A gift also involves an emanation of Eros.”

²⁵⁹ Johannes Stahl, Kunst als Give-Away (Art as Give-Away) <http://www.uni-bonn.de/~uph60016/texte/givestahl.htm>

²⁶⁰ Jerry Saltz, A short history of Rirkrit Tiravanija - Thai artist who cooks meals as installation art, on Bnet, http://findarticles.com/p/articles/mi_m1248/is_n2_v84/ai_18004723

Handling out gifts through the internet is an approach by contemporary artist Zoe Sheehan Saldana chooses. She breeds plants as an” online performance” monitored by cameras in real-time and gives them away at the end of the project²⁶¹.



Zoe Sheehan Saldana, Homegrown, 2007

During the project “Homegrown” two thousands of images of growing tobacco seeds were captured by a webcam and broadcasted live on the internet during a six week long show.

Zoe Sheehan Saldana uses the medium internet in order to distribute her presents. Other than artists, who invite the audience to share food, she creates a telepresent event for her audience, who at the same time became during the growth time of the plants became an online community.

In the light of an “attention economy” where perception is valued in the currency of “eye-balls”, these kinds of asymmetric deals may appear less one-sided. We are today used to think of attention as a value, which e.g. advertisers are willing to pay for. Also, they may not lead to actual transactions. This difference manifests itself in the different currencies of pay-per-click or pay-per-view for online advertising²⁶².

²⁶¹ Zoe Sheehan Saldana, <http://www.zoesheehan.com>

²⁶² George E. Belch and Michael A. Belch, *Advertising and Promotion*, Mc Graw Hill Irwin, 2008, p. 498

Internet culture and economy are highly influenced by the idea of the give-away: free software, the open source-movement, Wikipedia and most Web 2.0 characteristics rely on an economy in which sharing and giving are expected as a default attitude. If one may refer to these interactions as transactions which are often driven by idealistic motivations, then the payments seem to be based on primary non-monetary rewards.

Of course, the idea of a free sample as a vehicle leading to further transactions is a well established sales strategy widely applied in the digital economy. The creative commons movement, though not primarily concerned with transactions related to intellectual property, may pave the way for new forms of commercially relevant licensing for sharing and protecting content. In the context of computer software production and the open source movement similar issues are discussed under the name of “copyleft” (see e.g. Antoine Moreau²⁶³).

Less a gift, but also a denial or destruction of economic value is the work of Cesare Pietroiusti covers in the exhibition “Art, Price and Value” in Venice 2008, a wall with 3000 one- and five-dollar bills previously treated with sulphuric acid and stamped on their back side. Due to these interventions each of the banknotes has lost its worth as a currency while being transformed into a unique work of art. The visitors are invited to take one of the bills, on the back side of which Pietroiusti has marked the following instruction: “each monetary transaction involving this artwork will invalidate the signature of its author and consequently transform it into a fake”.²⁶⁴

²⁶³ Antoine Moreau, Copyleft Attitude : une communauté invouable ?, 2004
<http://antomoro.free.fr/left/copyleft.html>

²⁶⁴ Art, Price and Value, Exhibition, Palazzo Strozzi, 2008,
<http://www.strozzina.org/artpriceandvalue/education.html>



Cesare Pietroiusti, *Sulphuric acid on banknotes of 1 and 5 \$*Three thousand originals distributed for free, *Untitled* 2008

First the artist devalues the notes in economic terms and then he encourages people to take them. He points out, that if they would use them in transactions and thereby economically revalidate them. They attempt to reverse somehow the initial conversion from economic into cultural capital and the cultural capital constituted via the signature of the artist would be invalidated as well.

Offering cultural capital in the form of “unused ideas for recycling” without requiring an economic transaction is Maurice Benayoun’s “The openDump.org” In *the-dump.net*²⁶⁵ he shares his own ideas and non-realized projects on a blog to be picked up by others and “recycle” them.” On the platform *opendump.org* he offers to anybody to install their own dumps. This project may be considered a meta-shop for donating cultural capital or conceptual gift-giving.

For the exhibition “the Art of Participation” curated by Rudolf Frieeling at the San Francisco Moma²⁶⁶ has the German artist Jochen Gerz set up an exchange of cultural capital. Visitors of the exhibition had the opportunity to pose for portraits in a working photo studio in the galleries. December 19 was the last day of picture taking. Through the close of the exhibition the studio will continue to print and frame the portraits, which will be displayed in rotation on a gallery wall at San Francisco MOMA.

²⁶⁵ Benayoun, Maurice *The Dump*, <http://www.the-dump.net/> and <http://www.opendump.org/>, 2008

²⁶⁶ *The Art of Participation, 1950-Now*, SF Moma, Nov 2008-Feb 2009
http://www.sfmoma.org/pages/exhibitions/details/aop_the_gift

When the exhibition closed, each participant was given a portrait and asked to exhibit it in his or her home or office. Photo documents of these exhibits can be submitted and will be made available online. As Gerz explains, the gift invoked in the work's title is the act of exchange itself: "It is in art as in life: what you give is what you receive."



Jochen Gerz, The Gift, 2010

Having exchanges as a subject but not actually transactional is the work of Antoni Muntadas²⁶⁷. With his digital image he points to diminishing value makes the sum of \$1,000 disappear through constant conversion from one currency to another.



Antoni Muntadas, The Bank, 1999

The transaction costs of the sum of these transactions finally eat up the original value. This work is intended to be a critique of capital markets and the Forex in particular with their detachment from production, trade and services.

²⁶⁷ Antoni Muntadas, <http://www.strozzina.org/artpriceandvalue/education.html>

Economic Capital as Personal Finances

Housekeeping is a core concept of for the discipline of economics and transactions are the operational aspect of housekeeping. The word "economy" can be traced back to the Greek word "one who manages a household", derived from *οἶκος*, "house", and *νέμω*, "distribute (especially, manage)". From *οἰκονόμος* "of a household or family" but also senses such as "thrift", "direction", "administration", "arrangement", and "public revenue of a state". The first recorded sense of the word "economy", found in a anonymous work possibly composed in 1440, is "the management of economic affairs." Economy is later recorded in other senses shared by *οἰκονομία* in Greek, including "thrift" and "administration".

Some artistic work reflects financial accounting as a structure of personal life, often thereby taking the perspective of financial planning. In many cases these works are autobiographically inspired and creatively reflect the artist's suffering from a lack of financial resources. Economic capital is the core theme of these works, but often there are attempts to generate it from other forms of capital.

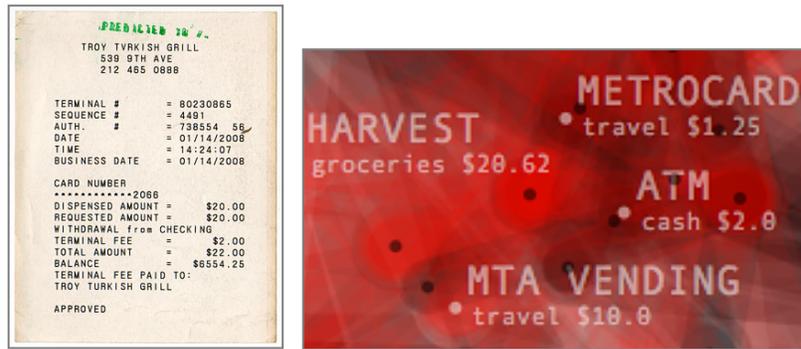
Art about financial diaries is the following work, where personal finances are the centre of attention is "MyPocket" by Burak Arikan²⁶⁸ in 2007. He discloses his personal financial records to the world in order to predict his future spending.

"It (the software) explores and reveals essential patterns in the daily transactions of my bank account and discloses my personal financial records to the world. Archived on the site, and updated daily, more than three years of my spending history is analyzed by the custom software to predict future spending everyday; these predictions sometimes determine my future choices, creating a system in which both the software and myself adapt to one another..The Predicted objects are the products of deliberate analysis and living, they are the ready-mades found in the future."

The daily expenses are recorded within a financial frameworks, that is comparable to those financial planners use or balance sheets of companies. After a predicted transaction

²⁶⁸ Burak Arikan, My Pocket, <http://burak-arikan.com/>

happens, its receipt is marked with a green stamp, which shows the probability of the prediction. The artist then generates a visualization of his spending patterns. This kind of artistic work reflects financial accounting as a structure of personal life and documents real life transactions.



Burak Arikan, My Pocket, 2007

Interesting enough, Arikan does not open up his software as a - potentially in some way even commercially viable - internet service. He uses the medium purely as a visualization tool, and offers quasi no interactions or transactions with his audience.

Also Danica Phelps documents her financial and personal transactions. Since 1996 “She notes her financial transactions in dollars, red for expenses, green for income and grey for credit. She not only uses her personal transactions as a form of diary and similar to a corporate account book but associates objects and drawings by her and others around them. The transactions stand for emotional exchange like an accounting book keeping record of the in and out flows. She presents her accounts with drawings by other artists, such as portraitists in Central Park as well as drawings by herself of other artist’s works.²⁶⁹”

To sum up: in this category of work, a transaction is the subject of some artistic representation of the artworks. The artist’s finances are directly subject to the work, sometimes perhaps like a self-portrait. As in any self-portrait, there may be a more or less

²⁶⁹ Katy Siegel, Paul Mattick. *Money*, Thames and Hudson, London, 2004, p 144

strong element of idealization or, in the case of transactional art another kind of enrichment as the next category will show.

Value Creation and Overcoming the Lack of Money

Artists, especially young ones, often suffer from a lack of resources, especially money. Therefore they try to overcome the lack of economic capital. The deficiency of resources is a motif for artists to be circumvented in creative ways and the *creation of wealth in the* form of economic capital is a recurring theme for artist. In business terms, the sustainable creation of money is a business model, which we discuss under the section on business practices. However, we will here discuss various forms of economic value creation, which do not qualify as repeatable, sustainable business models and which do not explicitly cite existing business practices. And we will also discuss other forms of personal wealth creation in other forms of capital.

One approach is to create one's own money. The American artist J. S. G. Boggs explores the nature of money as a medium of exchange and thereby creates value through the creation of his personal currency. Initially he draws by hand; later with the aid of computer technology creates one-sided copies of banknotes.



Boggs Bills, Francs bill, late 1980s with Boggs counterfeit, \$10 FUNback (Florida United Numismatists) 1997

He spends these "Boggs notes" only for their face value. If he draws a \$10 bill, he exchanges it for \$10 worth of goods. He then sells any change he gets, the receipt, and sometimes the goods he purchased as his "artwork." If the art collector intends to acquire

a Boggs note he is forced to track it down by following the hints Boggs gives about where and when he intends to exchange a bill. Boggs will indicate a collector where he spent the note, but will not sell them directly. Craig Saper writes: “Boggs art is to create new forms of exchange systems, not to simply parody government’s currencies, but to create artificial value.”²⁷⁰ He creates an “intimate community of those involved in the transactions” a form of social capital coming along with the artist’s transactional system.

In the 1990ties Boggs printed also plastic coins and used the same mechanism for bringing them into circulation of the real economy. ²⁷¹ Being subject to various accusations of counterfeiting and forgery is evidence for his entrenchment with the arena of existing and legally protected economies.²⁷²

Olav Velthuis²⁷³ witnessed how the artist actually tries to exchange his notes in a bar:

"Do you think they will accept Boggs money here," he asks in an old Amsterdam bar. Boggs insists that I will not intervene during the transaction, and promptly walks to the bar with a gentle smile on his face. Then he explains to the barkeeper with a charming voice: "Hi, I am an artist; I make my own money, and I try to spend it in real transactions. Today I would like to spend my money with you. These coins represent the value of a dollar. Would you accept four of them in exchange for two beer?"

²⁷⁰ Craig Saper, *Networked Economies – Six Degrees of Boggs*, <http://www.rhizomes.net/issue5/saper>

²⁷¹ Mary Rayme, *JSG Boggs – Counterfeit Art*, 2007,
http://artsociety.suite101.com/article.cfm/jsg_boggs_counterfeit_art

²⁷² Jesse Walker (2000), *The Art of the Deal*, J.S.G. Boggs draws money for a living – What is his exchange rate?, <http://www.reason.com/news/show/27822.html>

²⁷³ Olav Velthuis, *In Boggs We Trust*, An earlier, abridged version of this article was published in: *Dagblad Trouw* (Dutch National Newspaper), Saturday February 24 2001
http://www.toutfait.com/issues/volume2/issue_4/articles/velthuis/velthuis2.html

The lady looks puzzled and doubts if she should accept his offer. Before she can answer, however, her husband intervenes: "Paying with fake money is impossible," he says aggressively, "is playing a trick" [in Dutch the husband used the word "kunstenmakerij," which means both "making art," and "playing a trick"]. Unsolicited, the barkeeper continues that he has been making his own living for thirty-five years, and urges Boggs to support himself with honest means as well. The next day, many refusals of his coins will follow, even at the coin shops located behind Dam Square. There is a striking pattern in the responses that his proposal evokes. Out of disbelief, men react irritated, while women often start giggling -- an indication for social scientists that some taboo is being violated. Never does Boggs mention that the deal he is offering them is an offer nobody can refuse -- after all, even the coins are worth much more than their face value on the resale market for Boggs' work.

This episode shows that Boggs tries to pay with his self-made bills, and prefers to transact with people who are unaware of the value of a Boggs Bill as objectified cultural capital. Those who would know the value of such a bill would be aware of the mostly advantageous deals. But the artist seems to try to filter out counterparties, who are aware of this knowledge and prefers those who actually have the cultural capital to *recognize* the value of his art, or who are for whatever reason receptive to his offer. He addresses these "innocent" (most probably not equipped with the cultural capital of an education) counterparties, in the hope that they value the work for its, what he calls, "intrinsic value". As did once the waitress, who "discovered" Boggs first scribble of a one dollar note and wanted to purchase it for 40 USD²⁷⁴. Those who do not possess either the explicit cultural capital to know of Boggs Bills or the cultural capital to *recognize* some sort of value are both in an disadvantage and will not have access to the economic gains, the deal actually offers. Interesting also, that the artist does not sell his art, but only through the injection into the economic circle art his objectified cultural capital in the form of artworks can be captured and returned into the art arena.

²⁷⁴ From Interview of Magazine *Egg* with J.S.G Boggs, <http://www.pbs.org/wnet/egg/217/boggs/> "In 1984

Boggs as an transactional artist not only creates values for himself and makes a living through his direct exchanges, he also deliberately seem to circumvent the classical art audience with its forms of cultural capital, embodied and objectified. He carefully targets and filters the audience he is directly transacting with, probably of course aware, the aesthetic value of his work is exactly derived from his apparent circumvention of the forms of cultural capital.

Some artists following Duchamp's declarative act explore the mechanism of value creation through signing an art work, or even making a signature the subject of the artwork itself²⁷⁵. Sean Landers paints his own signature and therefore creates value and makes it the object of the painting itself. He makes his status as an artist i.e. his symbolic capital subject of an artwork, thereby creates aesthetic capital, which may be sold for economic capital as an objectified cultural value. However, this kind of transformations of capital does not involve a transactional component, it *declares* the coexistence of the values involved, but does not actively exchange them as part of the art work.

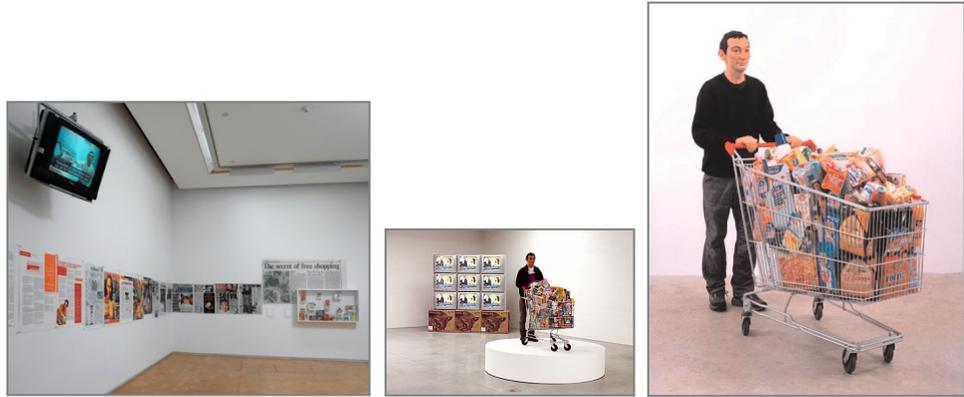
In another work Sean Landers reflects on his student debt. He initially defaulted on paying back his student loan in time and created an artwork by documenting his correspondence with the student loan lender. Selling this work made it finally possible to pay for the loan²⁷⁶. Here the aesthetization and objectification of the documents of a deficiency become through the presentation as an artwork valuable, they create some sort of aesthetic capital, which was then converted into a financial value – thereby relieving the artist from an unpleasant legal obligation²⁷⁷.

Another witty case of making an unconventional form of “living” is Mathieu Laurette's famous series of works named *Produits remboursés/Money-back Products* (1993-2001).

²⁷⁵ Book on declarative acts on Duchamp. (AMD tip)

²⁷⁶ Sean Landers, *Attn: Miss Gonzales*, in: Katy Siegel, Paul Mattick. Money, Thames and Hudson, London, 2004, p 68

²⁷⁷ Ibid.



Matthieu Laurette, Moneyback Life! Freebe King, 2001

Laurette pursued a lifestyle with almost only on buying goods with “Satisfied or Your Money Back” or “Money Back on First Purchase” offers and then being fully refunded on the basis of the products not maximizing his utility. As a result, he could practically not spend a single cent on his daily living. Due to regulations companies are obliged to accept their products back from unsatisfied customers. Laurette extracts use-value of products before he returns them and regains their full exchange value back. He apparently bases his existence on this witty exploitation of a policy invented to protect consumers. The used-up use value not only apparently helps to generate a living, but also serves as material for the creation of cultural capital in the form of this conceptual artwork.

Karl Heinz Jeron²⁷⁸ in his piece “Will Work for Food” creates small robots, which are sent to the audience in exchange for food sent to the artist. The robots can be “rented” for food and have the ability to draw and whistle. Users can send in food to an address and then get the vehicle for home use. After use, the robots have to be returned to the artist; otherwise the user may receive “very bad karma”. Since the robots are not the consumers of the food therefore the installation seems to subsidize the artist himself. The recipient provides food and the artist sends him a robot in return, which performs an audio visual artwork, an aesthetic product, which can be kept. On a good will basis the vehicles will be returned to

²⁷⁸ Karl Heinz Jeron, *Will Work For Food*, 2007, <http://willworkforfood.projektraum.org>

the artist. Jeron apparently chose not to appear as a business entity, even though the set up of this work may actually be considered a kind of business model.

Since the food has to be given in advance by the audience buys - so to speak - into the promise of the deliverance of the robots. This is an interesting detail since the transaction is demanded by the artist in advance; a deal is made from both sides. In a sense Jeron creates his own employees, or swarm of sales men, which support him with energy, which close the economic circle and facilitate their maintenance. These employees generate aesthetic products, are themselves a kind of aesthetic workforce and convey their work force into material value, such as food.



Karl Heinz Jeron, Will work for Food, 2007

Jeron intends to reflect on the nature of labor with this work and the utopian dream of a life of free labor. Therefore the robot may be viewed as a working agent, or the worker, who is rented out for food. The food may be considered the added value premium in the Marxian sense, but however it is simply food and nothing that could accumulate towards capital as in Marx capitalistic accumulation of value on the capitalist's behalf. As Jeron puts it, this work is about barter economy and the exchange of work for a survival requirement. Thereby - again - the artist is profiting and demands a resource for living from the audience. However, in a trusting attitude, with a higher risk of loss and damage, than a business would tolerate.

Another kind of barter system is introduced by Danica Phelps²⁷⁹. In “Writer’s Trade” she trades her own drawings with writers who in turn submit essays about aspects of her work. She creates a kind of barter economy for aesthetic capital, art works are traded for artworks without any other currencies.

In “Artist Collector”, Curator, Spy 2001, she pretended to be an art collector, visited galleries and took digital photos of the exhibited artworks. She then created her own images and drawings from these works and offered them to the artists in exchange for the original. All processes of decision making and acquisitions were documented and exhibited by her as part of her own art works.

In other words, she stole originals, copied them and offered the copies to the artists back. If these deals were accepted and what the reactions were, is part of the artwork. Again, she invents a barter economy amongst artists, who can enter deals according to their self-estimations of their worth.



Danica Phelps: Writers Trade, 2004

Is a “Danica Phelps” original more worth than a piece by a young and completely unknown artist? Is being stolen by her a kind of privilege, a “nobilisaiton”, in the sense of Bourdieu? Is it a gain, or is it a loss for the artist? Is value added? However, the result of these offers and potential deals are documented as artwork themselves and can be bought by the

²⁷⁹Danica Phelps, *Writer’s Trade*, 2004, www.grinnell.edu

audience. The audience therefore may acquire the documentation or objectification of a counter economy, a potential deal or its rejection, which constitutes the artwork.

Institutional Transactions- Creation of Capital by Implementation of Business Practices

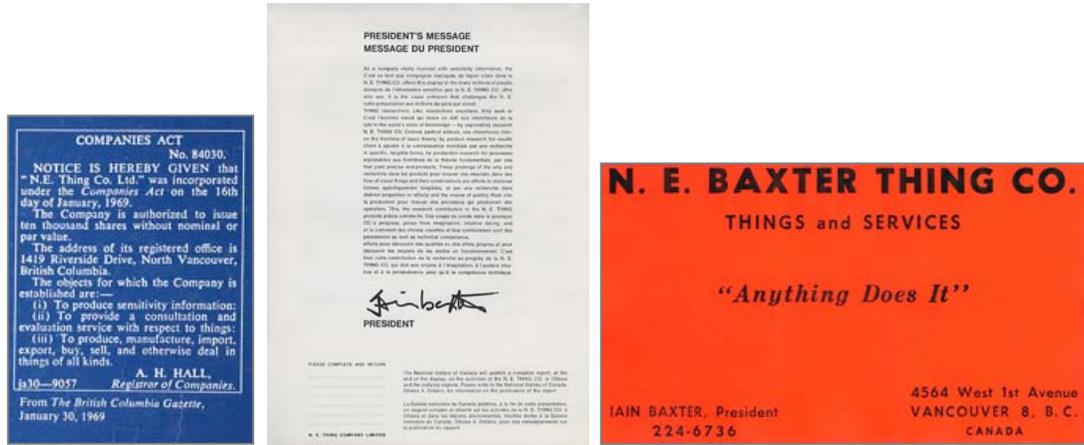
As the core of transactional art we consider artworks, which actually apply business practices and thereby are often institutionalised in the form of a business entity, sometimes even legally registered as companies. This kind of artwork ranges from all sorts of organisational mimicry and declarations of value to new forms of business models. The latter we find especially interesting, as they seem to fulfill not only aesthetic, but also economic criteria. As interdisciplinary projects, they seem to earn merits in the different value systems of the domains involved. Many of these artworks use the internet to allow for transactions of money and rely on it as a transactional medium.

For the classification we will start with the core topics for any business corporation: its form of organisation and financing, its value creating processes, such as manufacturing and/or service-providing and of course distribution and marketing. Recent business trends, such as commissioning and outsourcing, collaboration with the consumers are also thematised. And since no business is isolated, we also touch on so-called value systems, where several businesses are connected and interact and transact with each other. Of course here contracting and legal agreements come into play and some artists, mostly conceptual artists, have created contracts as art. Also highly relational is the final category, which is about the creation of social capital. Here artists experiment with social capital and offer forms of exclusivity as a product.

Organisation and Financing

An early protagonist is Canadian artist Ian Baxter, who founded the “conceptual enterprise” in 1966 and officially incorporated it in 1969 and was run until 1978 with his wife. Mission of this enterprise was to “produce sensitivity information; ii. To provide a

consultation and evaluation service with respects to things; iii. To produce, manufacture, import, export, sell, and otherwise deal in things of all kinds.”²⁸⁰



Ian Baxter, N.E. Thing Company, officially incorporated 1969 (various documents)

“Everything that needs to be taken and learned from business shall then be adapted to the artistic context of its implementation: logo, letterheads, stamps, slogans posters, badges, etc. art claims its right to be everywhere. Art is allover.”²⁸¹ In the form of a company various value creating activities in the field of “sensitive information experiments” are performed over time, including an expedition to an arctic circle, business consulting services, a photo lab and a restaurant.” To infiltrate the world of business require devising a program that is both, credible and viable.”²⁸² Similarly to the works we have seen earlier it seems the company is actually designed to help to secure the artist an income, however, this form of survival existence is aestheticized in itself and intertwined with other activities, such as a journey to the Antarctica. The construct of a company not only generates economic and cultural capital at the same time and allows converting it into each other smoothly with the advantages of a legally registered business entity.

²⁸⁰ Vox, Image contemporaine, Contemporary image, Ian Baxter project website, http://www.voxphoto.com/fd/baxter/en/projet_7.html

²⁸¹ Iain Baxter &, in: Toma, Yann, *Critical Companies*, p. 238, 2008.

²⁸² Ibid.

Similarly seems Bernard Brunon's *That's Painting Productions*, founded in 1989 in Houston Texas, a value creating strategy of an artist, who used to make a living with painting services and at the same time stipulated it as an artwork. The aim of "*That's Painting Productions* is "to manage a painting activity informed by reflections on representation".²⁸³ As in many examples of transactional arts, we have the coexistence of various forms of capital, which are converted into each other. Here the accumulation of economic capital is at the same time an accumulation of cultural capital – the conversion depends on the perspective. For a regular client ordering the services (the artist positions his services in the premium quality sector of the market for affordable prices) it may just be a normal service, from an-perspective the same work may appear as a reflective and artistic experiment and a real service delivery transaction is declared as an artwork.

The art groups Etoy²⁸⁴ and RTMark²⁸⁵ not only mimic the organizational structure, appearance and rhetoric of multinational corporations, they also issue stocks and/or mutual funds in order to allow the audience to support their activities. Both fall into the category of internet activism, a politically and usually ant-capitalistic motivated approach to media art.

The members of Etoy designed their unique "corporate identity" including graphic designs, uniforms, temporary architecture etc. They managed to create a subversive, "pseudo-corporate" atmosphere and issued stocks as a private company. These stocks have later been "materialized" into tangible products, such as brass plates, in order to cater to the demands of an object oriented art market by offering some sort of tangible values.

"Etoy is art and invests all resources in the production of more art. The firm represents the core and code of the corporate sculpture, and controls, protects, promotes, and exploits the cultural substance (intellectual property) and the Etoy

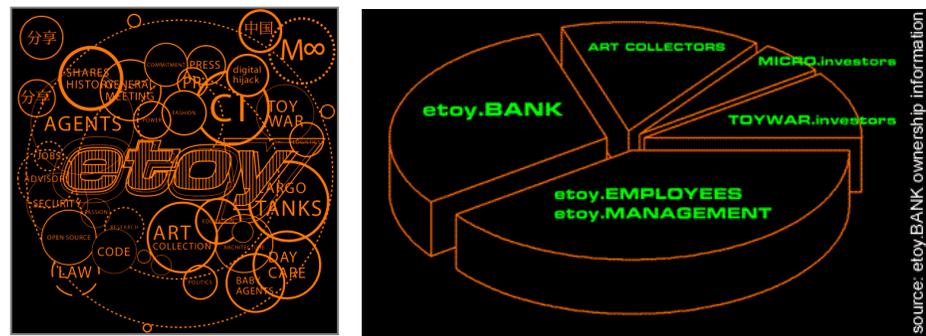
²⁸³ Bernard Brunon, *That's Painting Productions*, in: Toma, Yann, *Critical Companies*, p. 407, 2008.

²⁸⁴ Etoy, <http://www.etoym.com/fundamentals/>

²⁸⁵ RTMark, RTMark: Your Real Corporation Clearinghouse, <http://www.rtmk.com>

*ART-COLLECTION. Etoy intends to reinvest all financial earnings in art - the final link in the value chain.*²⁸⁶

Similarly to the compounding of interest, Etoy aims to reinvest and increase their cultural capital. They promise to transform the economic capital invested by the shareholders into cultural capital and following the mechanics of compounding interest offer to increase the cultural capital, (of course not the economic capital). The Etoy CEO with the name *etoy.ZAI 2001* states their preferences on forms of capital: "Money and shares are the objects of our desire but art is what we would kill for."²⁸⁷



Etoy company overview and Etoy shares, since 1995

The diagrams above are examples, how Etoy's artifacts often have the character of meta-art, since they refer to the organizational structure, activities and production forms of the artists themselves.

Etoy has been active since the mid nineties with various projects, including the *Digital High-Jack* (1996) a manipulated search engine, which would capture its users and *Mission Eternity* (since 2005), a service addressing issues of conserving information beyond death. The so-called *Toywar* (1999/2000) was a famous online dispute in 1999 about the domain name leading to one of the first massive internet mobilizations in favor of an activist group

²⁸⁶ Ibid.

²⁸⁷ Etoy website, <http://shareholders.etoym.com/>

versus a publicly listed multinational corporation; in this case the internet toy retailer Etoy.Inc. The battle over similar domain names and the accusation of trademark dilution (among others) led to a lawsuit with an injunction to close the activist's website. However, the EToys soon dropped the lawsuit and the art group's website went back to operation.

According to "Etoy's Corporation's" their mobilization incurred the loss of \$4.5 billion dollars in market capitalization; after "more than 8 billion dollars" at the beginning of the conflict. Therefore the "performance" has been coined as the "most expensive in art history". (<http://toywar.eto.com/>). This monocausal explanation may be part of an overstatement by the art group, however, it is one of the first cases where the power of internet-based viral marketing and mouth to mouth communication was demonstrated and massively damaged the stock value of a public listed company. Communication in the interactive media internet affected "real" financial values. In Bourdieu's terms: social capital heavily affects economic capital. And, internet activism discovered the transactional power of its medium.

Another prominent activist group is RTMark (the name is derived from "Registered Trademark") which brings together activist projects and potential investors. The audience, similarly to Etoy has the chance to become investors. The interaction between audience and artist is that of a transaction, the audience becomes an investor, lending his resources to an enterprise he believes in. The artists pool apparently the funds, like any investment trust would do. However, the investments may not always follow the laws of risk and return, as in the financial system and we do not really know anything about the flows of capital behind this artistic corporation. RTMark is one of the few art-groups who not only consistently mimic the corporate rhetoric but also some of the mechanism of business and financial worlds.



The artists of RTMark make explicitly reference to the financial system and the mechanisms of investing. They state on their website:

RT Mark

- *RT Mark is a “Company” which allows incubation of cutting-edge cultural ventures, while providing a unique opportunity for private investors to sponsor these activities*

Veneer

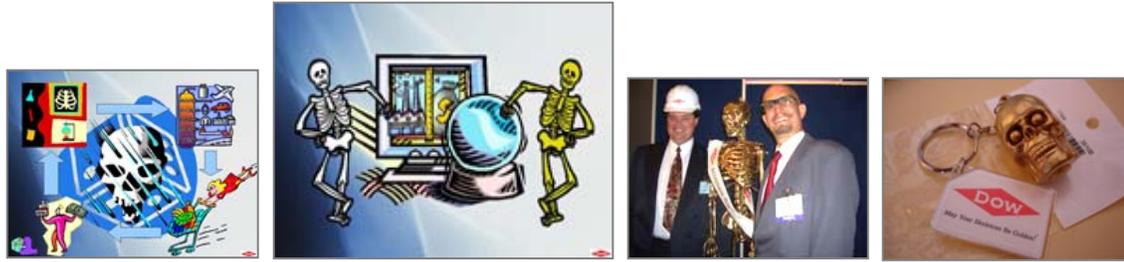
- *A pioneer in developing a quantitative measure of cultural value called cultural capital*
- *Veneer™ is the utilization of pre-trend market indicators to fake corporate accountability, environmental protectionism, and social responsibility*
- *A way of seeing what’s in and what’s not similar to the business world.*

Protester

- *Protester™’s project incubator allows activists to propose actions, meet and collaborate with others, and measure the success or failure of their work. Protester is designed for those who understand the need for creative approaches to the world’s social justice issues.*

In the *Acceptable Risk*²⁸⁸ project for example RTMark develops a risk calculator for public and governmental risks. The highly polemic texts suggest that governments and corporation have golden skeletons in the closet, due to their irresponsible acceptance of risks, which endanger the public, especially those groups which are not part of the privileged classes of western societies, such as the Bhopal disaster.

²⁸⁸ RTMark <http://www.dowethics.com/risk/launch.html>



RTMark, Acceptable Risk, 2005

They claim: “Amazingly enough, though, there is still no tool to help us in business know what risk is acceptable, and what isn't. We stumble along with our unspoken rules, hoping against hope our decisions make sense. “ They hereby neglect a whole industry of so called “risk-management”, not only in the field of financial services, but also a practice to be addressed in any business. Despite their polemic, and use of business terminology the artists display a certain superficial knowledge about how the issues are actually addressed. Unfortunately they lack the domain knowledge to make a plausible and also artistic serious contribution to the subject. However, RTMark charmingly introduces “Gilda, the Golden Skeleton” as a mascot for the initiative.

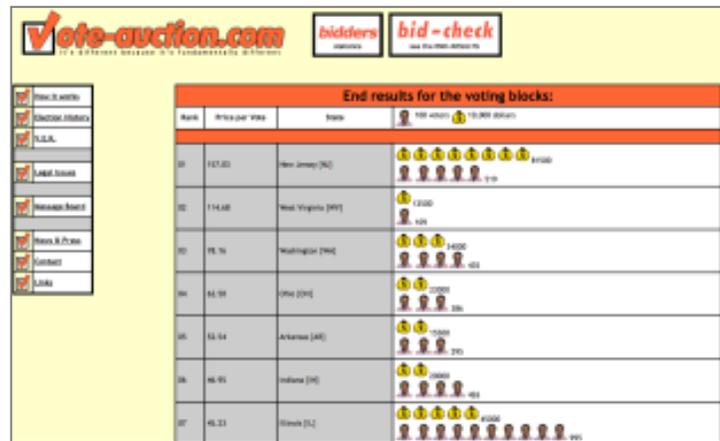
Users of the platform may also post projects, such as the “Barbie Liberation Organization”, in which the voice-boxes of talking Barbie and GI Joe toys were swapped, and the toys then returned to the store (1993). The RTMark platform serves not only as a funding marketplace but also as a medium for the communication of other activist initiatives. In this sense the platform combines features of so called “ideagoras” where users can post their tasks to be solved/realized and peer-to-peer finance marketplaces²⁸⁹, where internet users can try to raise funds for any (legal) purpose/enterprise.

Another well known work initiated by RTMark was “Voteauction”²⁹⁰ intervening into the process of political decision making. United States citizens were offered the ability to sell their presidential vote to the highest bidder during the 2000 US presidential election. The

²⁸⁹ See also O-d-o.com project in the practical part.

²⁹⁰ Uebermorgen, www.vote-auction.net

website was later moved to the art-group Uebermorgen in Austria since various US States sued the site for alleged illegal vote trading.²⁹¹



Uebermorgen, Voteauction, 2000

RTMark explicitly refers to financial concepts, such as “investing”, “mutual funds”, risk management” etc. They thereby ask the question of the value and “return of investment” more directly than Etoy. As they state on their FAQ section of the website, their aim is “cultural profit”, which directly resonates Bourdieu’s concept of “cultural capital”.

So ®TMark is just a corporation? ®TMark is indeed just a corporation, and benefits from corporate protections, but unlike other corporations, its "bottom line" is to improve culture, rather than its own pocketbook; it seeks cultural profit, not financial...Just as ordinary corporations are solely and entirely machines to increase their shareholders' wealth (often to the detriment of culture and life) so ®TMark is a machine to improve its shareholders' culture and life (sometimes to the detriment of corporate wealth).

Interesting enough, these activist groups use capitalistic financing techniques in order to realize critical artworks with an anti-capitalistic flair. The transactions involve a sympathetic audience who is offered the chance to contribute and/or invest as some sort of

²⁹¹ Though we did not introduce the notion of “political capital” the value this work is accumulating is probably something like political capital.

commissioning or sponsoring. Anticipating and facilitating these interactions and transactions via the RT mark corporation as a brokerage has become the artwork itself. The interactive medium internet is used as a transactional medium in this kind of work.

Another art-group addressing the theme of an “as-if” company are “The Yes Men”. They are a group of media activists who practice what they call "identity correction" by pretending to be the spokespersons for prominent organizations. They imitate websites similar to ones they want to spoof, and then interact via these virtual identities. E.g. they accept invitations received on the spoof websites to appear at conferences, symposiums and TV shows. Their newfound, self-proclaimed authority to express the idea that corporations and governmental organizations often act in dehumanizing ways toward the public has met both positively and negatively with political overtones. In the famous Bhopal project they manage to broadcast an interview on BBC promising a massive financial compensation for the Bhopal victims as a humanitarian gesture for the 20th anniversary of the catastrophe.



*The Yes Men, Andy Bichlbaum alias Dow Chemical spokesman “Jude Finisterra” on
BBC News, 2004*

Here the artists do not actually perform a spectacular transaction, but gain their impact through the spectacular, yet satirical promise of it and their plausible spoof by Dow Chemical (the owner company of Dow Chemical, which caused the incident) spokesman “Jude Finisterra” broadcasted as breaking news on BBC television on on December 3, 2004, the twentieth anniversary of the Bhopal disaster. As in other transactional artworks, the artists have to empower themselves, here by claiming successfully to represent an economically powerful organization like Dow Chemical. They also manage overcome the

social boundaries, since the BBC during their diligence process did not uncover the artists as fake. The value of these spectacular news, may have led to this kind of negligence at the time, with an image loss for BBC, but even a bigger PR damage for the actual company who did not at all intend to compensate victims. The mere promise of the transaction made as a satirical means conveyed in a genial way the artist's message. The artist's merit of course is besides the aesthetic and conceptual value, the masterpiece of tricking an honorable news institution like the BBC.

Production, Manufacturing and Services

The management and strategy theoretician Michael Porter describes the concept of a "value chain²⁹²" as a sequence of procedures which create a product or service and basically add value in every step. Any business is basically a value chain, adding value in every step of the operation but value chains can also be created across various organizations. We will find examples of artworks, which create value in both ways.(see below, "vertical integration").

Wim Delvoye's *Cloaca Shit Project*^{293 294} is a value chain mimicking the body function of digestion for the creation of energy. The appearance of the installation imitates industrial manufacturing machinery. Value is created by the processing of food. Additionally to reconstructing the human digestion as an industrial process, the artist creates all sorts of merchandizing products around this enterprise, ranging from graphics, logos etc to the online sale of the excrements produced. He also issues specially designed shares by "Cloaca Investments Limited".

²⁹² Value chain analysis describes the activities within and around an organization, and relates them to an analysis of the competitive strength of the organization. See Appendix..

²⁹³ Wim Delvoye , <http://www.cloaca.be>

²⁹⁴ <http://www.artnet.com/Magazine/reviews/fiers/fiers1-9-01.asp>



Wim Delvoye, Cloaca Shit Project, since 2000

Delvoye commercializes not only creates a synthetic body but also an industrial value-chain. The machinisation of the human body, and not for example the human mind, as it was the aim of artificial intelligence and information technology creates some aesthetic value pointing perhaps the attention of the audience to questions of meaning of life. What does the product of energy, which we seem to command on so effortless, empower us to do? Though there is no monetary transaction involved, this project does reflect the transformation of economic capital, in the form of food, as a life sustaining requirement to any other form of capital or contribution, man can make. The project refers to the very basic level of satisfaction of needs: that of the generation of energy to live.

Management and Improving Operations

Value in the economic sense can, roughly speaking, be created via processes leading to the manufacturing of products, their distribution (shops, buying and selling) and/or through services. “Management Consulting” is a service, which artist have used in their art thereby creating value.

Value creation via management consulting was explored by artists like Carey Young and Christian Jankowski. Carey Young²⁹⁵ offers conflict resolution services on the street as a performance in the public space.



Carey Young, Conflict Management, 2003

She assembles “a professional arbitrator, table, chairs, two notice boards, media advertising, and members of the public”²⁹⁶ and let offers apparently for free the services of the mediator. The artist hires or somehow sponsors the services of a professional conflict management consultant and offers it to her audience. If we consider these business services as added value, both in terms of cultural and potentially economic capital, then the audience really gets a gain in both domains: first the cultural capital in the form of conflict management know-how, which is a free gift by the artist and on the level of an artwork, the aesthetic value or cultural capital as an experience provided by an artist. Again, the artist somehow does not mark her performance as art, though it probably does stand out from a daily experience of conflict management, since Young transfers the service into the public space.

²⁹⁵ Carey Young, <http://www.careyyoung.com/>

²⁹⁶ *ibid.*

*The British artist Carey Young features in her *Optimum Performance*²⁹⁷ an actor dressed as a businessman, who delivers a motivational but satirical speech to the Whitechapel's gallery audience as if they were a group of his professional colleagues. The piece has a self-reflexive core - a performance designed to enhance performance. Young exposes her art audience to the managerial motivational and leadership rhetoric from the corporate world.*



*Carey Young, *Optimum Performance*, 2003*

If we consider business know how and managerial knowledge as a kind of cultural knowledge as well (in the sense that it also may require a certain training and education), then this performance performs a transition of cultural capital *about* the creation of economic capital back into the cultural domain. This transition however, is recognizable and meant to be viewed as an art work.

A work using the services of a professional sponsored management consultant is the work “Point of Sale” by Christian Jankowski.²⁹⁸ The artist lets a strategic management consultant

²⁹⁷ Carey Young, *Optimum Performance*, 2003, Performance at the Whitechapel Gallery documented as a single channel video (on DVD); colour, sound. 14.35 mins,
<http://www.careyyoung.com/past/optimumperformance.html>

²⁹⁸ Christian Jankowski, *Point of Sale*, Video Installation, 2002
3 channel video installation: 3 DVDs, plus 1 Digi Beta Submaster (archival master)
<http://www.icaboston.org/exhibitions/permanent-collection/artists/jankowski/>

analyze two businesses: an art gallery and its next door neighbor, which happens to be an electronics shop. The interviews plus the analysis by the consultant are presented via a video installation.



Christian Jankowski, Point of Sale, 2002

Surprisingly the artist has decided to let the gallery owner answer for the electronics shop owner and vice versa. This is an interesting twist and perhaps a disguise of the strategic knowledge that otherwise would have been revealed through the consultant and within the installation. Like so often in transactional art, the work itself leaves many questions open about the deals on which it is actually based. The documentation does not include the structure of the deal, which made this work possible and traditional interpretations also do not tend to ask for the system of exchange behind the works. However, here it is possible, that the owners insisted to switch roles, or that it actually was an idea by the artist, in order to point the attention of the audience to the secretive nature of strategic, business-sensitive know-how. How was this deal negotiated?

Many artists, who actually apply transactional strategies, do not reveal those strategies, though one could think, since modern art has anything made as subject, this seems somehow a surprise. As mentioned earlier, it may be considered violating aesthetic principles and of course an “elliptic representation” of the deals seems also more artistic, than their explication. Artists have reflected intimate aspects of their production, but artistic exhibitionism seems not to cover transactional strategies.

Distribution - Shops, Buying, Selling and Auction Art

These kinds of artworks choose the form of a shop or other ways to buy or sell something. In transactional arts buying and selling may become means of artistic expression. Often artists experience no demand for these offers at all. Suggesting potential transactions become the artwork, even if these transactions never actually happen.

Installation art in the form of shops has been extensively explore by artists like Christine Hill with her “Volksboutique” installations, which only in the very beginning allowed the audience to actually purchase the items. On her website writes the artist: “Volksboutique presents a forum for production, exhibition and exchange. The establishment of a familiar arena to illustrate where artistic experience should be lived.” The arenas of art and life are intertwined, at least at first sight. And she quotes Kim Levin at the same site from “the Volksboutique Guide, 1997”:

"Hill's Volksboutique can be called a second hand store. Or it can be called a participatory artwork that takes the form of a functioning salesroom and workshop space. Simultaneously a shop, an evolving installation, a space for performance, a slice of life, and an amorphous messy inclusive work open to all questions, it absorbs found objects as compositional elements and viewers as participants. Above all, Volksboutique is a place of informal human exchange that raises the conceptual stakes."



Christine Hill, Volksboutique Project since 1990ties, here Armory Apothecary, March 2009

Similarly to the consultation art works, Hill offers her advice and recommendations of a remedy after a short conversation with the customer. For 20\$ the audience can acquire

various specially assembled medications, provided by the artist²⁹⁹. The booth is installed during an art show as the representation for the artist's gallery. The experience of shopping is "translocated" into the art world; the artist herself sells her artistic artifacts under the cover of a medical remedy. Since Christine Hill has built up a reputation as a contemporary artist, the monetary value of these artifacts on the art market may as in the case of Duchamp, Boggs and others also much higher than the asked price.

An earlier example from 1961 is the installation by Claes Oldenbourg *The Store- – 2nd Street NY*^{300 301} where he rented at the Lower East Side in New York. He manufactured the items; one may find a neighborhood store out of chicken wire and papier-mâché, plaster and paint and sold these replicas in the shop. So the shop again becomes a kind of gallery, though again under-cover with the overlay of the value of artwork and apparent mimicry of real life.



Claes Oldenbourg, The Store- – 2nd Street NY, 1961

²⁹⁹ Christine Hill, Video about *Armory Apothecary*, March 2009, The Armory Show 2009 New York <http://vernissage.tv/blog/2009/03/06/christine-hill-the-volksboutique-armory-apothecary/>

³⁰⁰ Katy Siegel, Paul Mattick, *Money*, Thames and Hudson, London, 2004, p 114

³⁰¹ Frieze Blog, http://www.frieze.com/issue/article/taking_stock

A shop in the form of a stand which sold small objects was part of Franco Mondini Ruiz' participation in the 2000 *Whitney Biennial*..³⁰² He still continues his *Infinito Botanica* selling performances. The *Feast without Famine* was held in May 2008.

“A true, non-stop feast of visual and conceptual delights will await the visitor to Mondini-Ruiz's exhibit/art buffet, consisting of a collection of new sculptures, porcelains, art world piñatas, and paintings in all sizes. He will offer an ever-changing array of art goodies ranging in price from \$10.00 to \$10,000.00, ensuring no one goes away hungry. The artist will be on the premises throughout the show serving art, conversation, and strategies for a utopic, better world of feast without famine.”



Franco Mondini Ruiz, Infinito Botanica- The Feast without Famine, 2008

The artist here decides not to give away anything for free, but to cater to audiences with weaker economic means and thereby include them into the target audience. Like the art-as-giveaway approach however, he does not exclude audiences with a lower spending power of economic capital from the reception and acquisition of cultural capital. The artist deliberately markets to *any* target group by his pricing strategy. As so often in transactional arts, motivations in general, or here specifically the thoughts leading to the assignment of value are not explicated within the aesthetic discourse.

Maurice Benayoun's "Emotion Vending Machine" is a work which makes use of a distribution channel of the vending machine – though apparently without the insertion of

³⁰² Homepage of the Frederike Taylor Gallery, NYC,
<http://www.frederiketaylorgallery.com/2008Apr.html>

money. But instead of choosing beverages, the user can customize ring tones for his mobile phone and download the output of a web query on emotions as “emotional cocktails”.³⁰³

“Users select three from a list of nine emotions, such as “fear”, “joy” or “ecstasy”, and validate their choices. The machine, built around a search-engine application, browses the world network and displays the result in the shape of words representing the previously selected emotions, accompanied by sounds composed by Jean-Baptiste Barrière. Users can then connect their USB flash drive and collect their musical emotional cocktails, each of which is prepared in real-time and therefore unique.”

French artist Orlan made also use of the transactional interface of a vending machine in her the famous performance *The Artist’s Kiss*³⁰⁴ from 1977. She turns a life-size photo of her torso turned into a slot machine. After inserting a coin, the image was lowered to the ground and the buyer received a kiss from the artist standing on a pedestal.

Indian artist Shilpa Gupta with *Xeno-Bio-Lab.com* creates a supermarket for “Take-Away-Kidneys”, which she exhibits in an installation apparently for sale. Her aim is to highlight the financial despair, which makes donators in poor countries exchange parts of their bodies for financial capital- thereby exposing themselves to serious health risks.



³⁰³ Maurice Benayoun *Emotion Ringtones Mechanics of Emotions*
<http://www.benayoun.com/projet.php?id=117>

³⁰⁴ Orlan, *The Artist’s Kiss, (Le baiser de l’artiste)*, <http://www.orlan.net>, 1977

The awarded work is a E-commerce websites as well as an installation in the form of a shop, yet without mentioning of prices for real transactions. Without facilitating any actual transactions, with this pseudo-supermarket the artist highlights effectively her moral disapproval with the global organ markets and medical tourism.

The internet as a distribution channel is a obvious choice for transactional artists in the age of E-commerce. Mejour Vida, which we will discuss in a following chapter on social capital is only one example, which we subsume under more specific categories. But one way of distribution on the internet we would like to introduce here: that of auction art.

Auction art relies on existing auction platforms, a development facilitated by internet. so called “auction artists”³⁰⁵ use existing market platforms such as eBay for highly conceptual artworks to distribute i.e. auction off some sort of offer. Thereby they may reach other audiences, which traditionally would not be within the classical art audience.

Carey Peppermint, e.g. allows the online audience to conceptualize an artwork, which he, in the tradition of conceptual art will then execute and document. The documentation in the form of a video tape he then sends to the commissioner, who together with the artist holds the intellectual property rights. The artist presents this being at service in a way that hardly anything would be an impossible, though he excludes sexual and immoral requests.

Here the artist involves the audience to actually participate in the strategic part of the creation of an artwork. He manages to isolate what could be called the “strategic creativity”, the purely conceptual aspect similar to a brief for the artist. Interestingly he extends artistic creativity towards this kind of strategic brief and is considers it as a relevant contribution to the art work. Therefore he is willing to share the IP rights with his co-creators.

³⁰⁵ Atkins, R., Art as Auction, <http://www.mediachannel.org/arts/perspectives/auction/index.shtml>



Carey Peppermint , High Bidder, 2000

Jeff Gates tries to auction off in vain his private data and shopping and TV viewing habits thereby critically referring to practices of digital customer relationship management. He finally creates “handsome limited edition prints” of the data and manages to sell them to friends. Again, a conceptual internet artwork seems to demand some sort of materialization in order to become sellable.



Jeff Gates (no title), ca 2002

In a similar piece, Michael Daines offers his own body “body, with minor imperfections”. As Carey Peppermint he excludes sexual connotations but does offer and thematizes the economic concept of availability of the workforce.



The Body of Michael Daines, 2000

*Ebayaday*³⁰⁶ is a month-long serial exhibit, using eBay as venue, beginning 9 a.m. PST, Dec. 1, 2006. Curated by Rebekah Modrak, Aaron Ahuvia and Zackery Denfeld, ebayaday consists of 25 auctions (one debuts each day) in which the entire eBay listing (item for sale, descriptive text and imagery and placement within chosen categories) is the artwork. Works presented in the show exploit, redefine or underscore eBay's potential in the exchange of ideas, objects and commerce. The artists chosen for the show received instructions for the day and time to post their listing in a 7-day online auction. The first of the 25 auctions began December 1st 2006 and the last auction ended on January 1st, 2007.

*“Unlike the thousands of traditional art objects for sale on eBay at any given moment, the pieces in ebayaday incorporate the various methods and systems of eBay as elements in the work. Each aspect of the listing (item for sale, descriptive text and placement within chosen categories) is a part of the artwork. Keywords (used to search for items) and descriptions within listings may elaborate on physical characteristics of an item, but may also describe that item's history or train potential buyers in how to operate, employ, love or neglect that which is for sale.”*³⁰⁷

In addition, artists consider buyer/seller feedback, self-monitoring devices and other ways that the site generates and cultivates internet “community”. With eBay.com as the site, *ebayaday* features a series of site-specific works. As a site, eBay has highly specialized categories, though their sheer number makes it tremendously inclusive. “eBay is a miniature model of the universe with encyclopedic opportunities for context.”³⁰⁸ While discovering an artist's website is dependent upon links from other sites or chance encounters by those surfing the internet searching for artist authored content, eBay

³⁰⁶ Rebekah Modrak, Aaron Ahuvia and Zackery Denfeld, *Ebayaday*, <http://www.ebayaday.com/rz.htm>

³⁰⁷ *ibid*

³⁰⁸ Rebekah Modrak, Zackery Denfeld, *Artists & The Online Marketplace: Making a Gesture and Sharing and Idea and Carrying out a Plan in 34 Categories*, <http://www.ebayaday.com/rz.htm>

functions as a wide open territory of multiple audiences who are easily accessible. Every eBay browser who reads an *ebayaday* listing, whether he/she bids or not, sees part of the show. The lineage of broadly distributed artists' projects – artist books, zines, Fluxus interventions, correspondence art.

Since eBay's conception, artists have used the online auction as a means of reaching a broad audience and responding critically to the marketplace. Artists have used eBay listings to sell or inventory all their belongings, e.g. Trong Gia Nguyen, John Freyer ³⁰⁹, and Michael Mandiberg.³¹⁰ Some others question the concepts of property and identity: Keith Obadike attempted to sell his "blackness" and Jeff Gates as we saw offered his socio-economic status, TV viewing habits and purchasing habits as marketing data to the highest bidder.

So far, most subversive forays into the online market are discrete attempts by solitary artists, often publicized as individual actions, ignoring the larger system of bidders, browsers and managers at play. Artists in *ebayaday* have chosen to contribute with the "diverse types of expression found in any marketplace"³¹¹. Yashas Shetty becomes a street-corner musician on eBay by creating one-of-a-kind pop songs for sale. The initiators write on the website:

"With garish clip art & borders, banal snapshots and economical or descriptive use of language, eBay becomes a site for expression and poetry. While William Pope L. joins a simple image and short text to create a poem/riddle, Nick Tobier's long essay exploits the unlimited space allowed for auction descriptions. It is no surprise that artists are interested in pushing the possibilities of the eBay aesthetic, but it will be interesting to see how prospective buyers react to an interruption in the usual flow they experience in scanning the eBay landscape."

³⁰⁹ John Freyer, [http:// www.AllMyLifeForSale.com](http://www.AllMyLifeForSale.com)

³¹⁰ Michael Mandiberg, <http://www.mandiberg.com>

³¹¹ Ibid.

So ebayaday is some kind of a transactional art event using this new distribution channel where all sorts of artistic transactions are explored. A related approach for artists is actually to create market-places themselves. Before we turn to these art forms we want to introduce a few other forms of value creation.

An artwork offering itself on Ebay is Caleb Larson's "Tool to Deceive and Slaughter". "Combining Robert Morris' Box With the Sound of Its Own Making with Baudrillard's writing on the art auction this sculpture exists in eternal transactional flux. It is a physical sculpture that is perpetually attempting to auction itself on eBay."³¹²



Caleb Larson, A Tool to Deceive and Slaughter, 2009.

The new owner is required to put it online and it will sell itself off again, thereby creating a perpetual chain of transactions – if the buyers fulfill their commitments. Nothing is stated for the other cases. However, a witty installation and a new interpretation of the concept of the “autonomy of art”- by taking it literally and letting the work selling itself.

Marketing - Symbolic Values, Signs and Spectacles

The field of corporate communication has been extensively explored by artists. Corporate communication is the vehicle, to communicate with the outside world, mostly to potential the clients. Therefore enterprises offer some sort of visual interface and a sign language, serving the “corporate image”. Advertising campaigns, a major part of corporate communication, are often a highly seductive combination of “brand values” addressing usually core cultural values (either localized or with a globally uniform marketing strategy). The corporate image is considered an asset, therefore a value, yet an intangible

³¹² Larsen, Caleb, <http://www.caleblarsen.com/projects/a-tool-to-deceive-and-slaughter/#2>

asset in accounting terms. However, as we will see, it can affect the overall value of the corporation easily and this is why especially in listed companies public scandals are heavily feared.

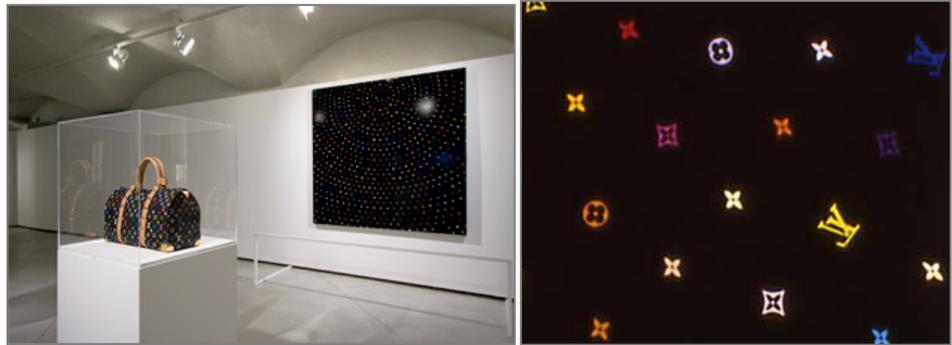
Corporate communication is a kind of value creation, especially in today's an attention economy. Making people knowing a brand's name or think positively about an enterprise has a price, of course. However, corporate communication is not considered as part of the operational value chain within enterprises. As "intangible asset", it does not directly and in a measureable way add to the profit and loss of an entity, in other words, it is only indirectly related to the transactions.

Many artists used and modified existing corporate communication strategies and/or have created fictitious brands. In the field of "art and economy" this kind of art is probably the most common version. But, not surprisingly, only a few of those are actually transactional in terms of economic capital. We will introduce here some works, where despite the focus on corporate communications approach there is also a transactional component.

Superstar Damien Hirst who had opened in the 1990ties a fashionable London restaurant called the Pharmacy, manages to sell for astronomical sums its furnishings fetched prices far in excess of expectations when they were auctioned at a huge profit by Sotheby's after the business went into decline. Again a case, where the overlay of the cultural capital exceeds that of its economic value, due to the assignment of a famous artist. However, this auction was not considered an artwork in itself.

Well known for his marketing of his "high and low" level art at the same time is Takashi Murakami. He offers a range of products targeting the budgets of all segments of his audience and offers low cost merchandised products such as key-rings etc. besides being one of the most expensive artists in the art-market. His enterprise called Kaikai Kiki (which means elegant and bizarre) producing and promoting a carefully designed range of objects – from large sculptures to stuffed animals and other merchandise merging Japanese and American pop culture, such as the Manga and Mickey Mouse, supplying not only the exclusive contemporary art market with high-prize original products, but also middle- and

lower-income mass-markets through series of industrially produced items and accessories, which he sells in copyrighted stores.



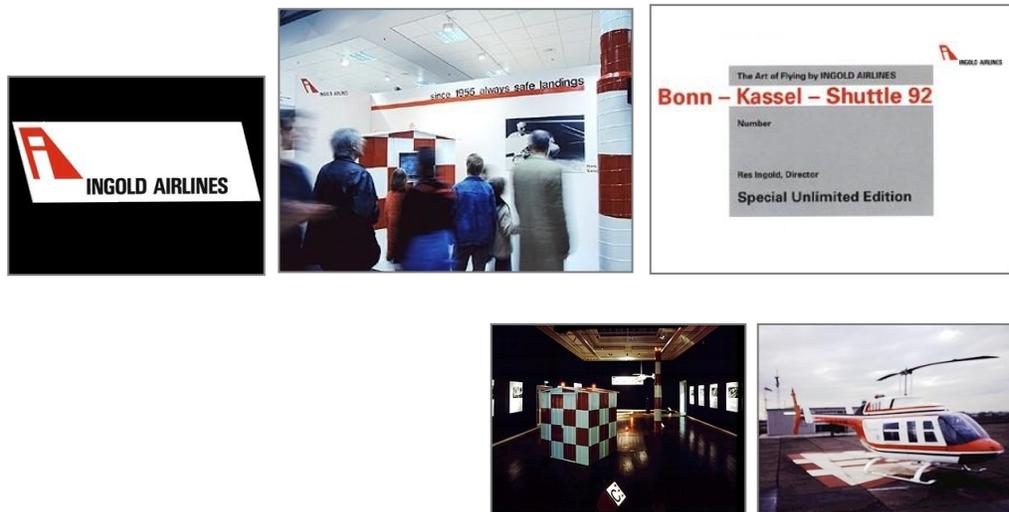
Takashi Murakami, Monogram (Black), 2003

Murakami turned his name into a brand: “You cannot continue creating art without a sense of business or management”, says Murakami, thereby defining his vision of art in world which is totally economized. Damien Hirst applied a similar strategy and offers merchandising objects for low prices. These works are sold as artworks, just affordable originals. They usually do not have a transactional character themselves.

Sometimes established brands approach an artist for a collaboration. Tracy Emin has designed handbags for Longchamp and Marc Jacobs , creative mastermind of Louis Vuitton, has invited Takashi Murakami to collaborate in various ways. The results of these collaborations were successful in many contexts: the art world (e.g. various exhibitions featuring those Louis Vouitton Handbags), as corporate communications projects and as consumer products. They converse capital, though the transactions are not made transparent within the artwork. Murakami appropriates the Louis Vuitton logo as a metaphor of the object of desire, the industry of luxury goods increases the value its products through the work of the artist, who creates limited editions that in turn attain the fetish-like status of artworks. Of course the profits and losses of this deal are neither disclosed by artist or corporation.

The artist Res Ingold initiated his own airline, called *Ingold Airlines*. Ingold Airlines³¹³ is an example, where from the initially bold distribution of *as –if* branding advertising and merchandizing of an initially fictitious airline over years this superfiction became a reality and finally even allowed to have a financed charter flight over Berlin. In his investigations how fictional situations have been introduced into contemporary art practices, Peter Hill argues, the initial “superfiction”³¹⁴ becomes a reality. He uses the term ‘superfiction’ to distinguish visual fictions from their text-based counterparts in literary fiction. This apparent transformation from fiction to reality instantiates in the context of transactional art a transition from mere interaction to transaction.³¹⁵

Ingold’s artwork creates economically and aesthetic value through the application of a marketing technique and successful self-branding and business practices, such as development of business plans, office merchandising, and promotional videos. Occasionally these activities were extended beyond law-abiding practices, such as “logos appearing on pirated trucks and planes”.



³¹³ <http://www.orbit.zkm.de/?q=node/388>

³¹⁴ Peter Hill’s Museum of Contemporary Ideas, <http://www.superfictions.com/encyc/entries/ingold.html>,

³¹⁵ Hill investigates how fictional situations have been introduced into contemporary art practices. He uses the term ‘superfiction’ to distinguish visual fictions from their text-based counterparts in literary fiction.

The in the beginning audaciously stated pretence-company, a mere object of cultural value, allows to offer economically benefits to its audience (real flights), through a kind of hidden sponsoring, so that finally a helicopter service can be offered to the documenta 1992 audience between Berlin and Kassel.

On his website the artist states³¹⁶:

The airline Ingold Airlines was founded in 1982. Since then, it has continuously expanded, until it was converted into a stock corporation in 1996. The fictional enterprise with headquarters in Cologne orients itself strictly upon reality: its products, for example air passenger companions, VIP service, members' club, cargo system, and shuttle service, are reflected in a perfectly conceived Corporate Identity, which is presented in galleries, in actions, and at trade fairs. Ideas, rather than passengers, are the most important cargo.

The questions of the degree of reality and whether Ingold Airlines is art or business have not been clearly answered: reality turns out to be potentially simulated, and simulation has its effects on reality.

The documentation does not convey who actually covered the incurred costs. We assume it may be cultural funds and/or private sponsoring. Whoever this party may have been, she makes an economic investment on the basis of a cultural value, which is actually *about* the existence of an economic company. The hidden transaction of the sponsor is not thematised by the artist, who simply states, that through mere communication and marketing the airline became “real”. Through his persistent allegations the initial fictitious airline, though an objectified form of cultural capital, attracted economic capital and finally offers its services for free to the Documenta audience. The flight shuttle seem to have served only a certain

³¹⁶ Res Ingold <http://www.orbit.zkm.de/?q=node/388>

in-group of people, Ingold calls them VIPs, in other word, those with the necessary social capital to have access to the inner circles around this project.

This form of value creation raises the issues of value through branding and the persistence to claim a brand, thereby creating what marketing calls “recognition value”. The mere fact, that people *know of* something, mostly a brand, generates already some economic value – and here some cultural capital as well.

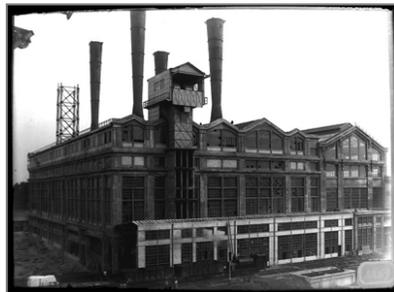
An interesting example is also the project Ouest Lumiere by Yann Toma. He bought the rights of an energy company providing electricity for western Paris (therefore the name) which had been founded in 1903 and was nationalized 1946 after the WWII. Toma not only rediscovers the historic plant in 1991, but also “occupies” in the following years using it as a studio and location for various artistic projects. The occupancy becomes an appropriation in **1993** (correct!after discussion with artist)when he actually acquires the “rights of the name and merged his own signature with the values’ brand”³¹⁷. The artist does not reveal any details about this transaction, which also did not happen at the beginning of the project, but somewhere during the phase of occupation. It is not documented, what was the amount of the transaction and if own any of the property for example. However, with this “anchoring” of the project in the reality of a legal corporation, Toma pursues what Franz Liebl calls “a double strategy” and Rose Marie Barrientos “double life”. Both refer to the simultaneous and complex coexistence of various forms of capital, such as the cultural capital as art projects perhaps with something we may call “metaphorical capital” of the energy-metaphor, the created brand value, the human capital etc. - all this in relation to the assets of an actually extinct, but re-animated and aestheticized power-plant.

However, in the following years Toma develops around Ouest Lumiere a whole set of marketing campaigns. Internally he creates a management hierarchy with himself as the President for life”. The audience can apply to become a shareholder, and if so has the opportunity to join a vivid community around the project. Libl calls this approach

³¹⁷ Barrientos, Rose Marie, The double life of Ouest-Lumière By <http://art-flux.univ-paris1.fr/spip.php?article231>

“leadership hacking”³¹⁸, a kind of art, where similarly to cultural hacking, not the critical approach is central, but a playful innovation within the field of strategic management. Toma is a good example, as he actually creates a context of leadership and then implements completely new rules for leadership and organizational interactions within the Ovest Lumiere community. For example, the shareholders/investors/participants e.g. are also part of the organization and receive specially designed artistic titles. The overall mission of Ovest Lumiere is:

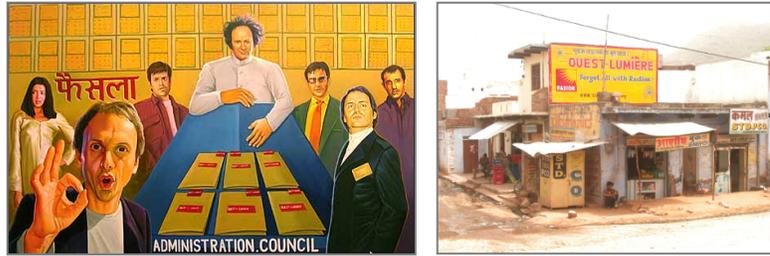
”Ovest-Lumiere produces and distributes energy throughout the world and beyond. It is in direct completion or in partnership with all existing energy producing and distributing companies.”^{319 320}



³¹⁸ Libl, Franz, *Leadership Hacking, Kuesntlerische Strategiesn im Management Context betrachtet. (Leadership Hacking : Artistic Strategies reflected in the Management Context)*, p59, Kunstforum 201, March-April 2010.

³¹⁹ Toma, Yann, *Les Entreprises Critiques, Critical Companies*, Cite du Design Editions, p. 337, 2008.

³²⁰ Toma, Yann, presentation, http://www.dailymotion.com/video/x5ifr0_ouest-lumiere-yann-toma_creation



Yann Toma, Ouest Lumiere, since 1991

Ouest Lumiere offers various “products” – or just a witty reference to potential products, in the form of a package, without any content or even wall-paper and publications, paintings and photographs. Besides various installations on site, it also ventures out into emerging markets, e.g. with its advertising campaign in rural India.

The subscribers says the website “integrate the changing factors of today’s society and are themselves managers of symbolic capital of limitless assets.”³²¹ Ouest Lumiere not only plays with the metaphor of energy and extends it to all sorts of energies it seems, beyond electricity. Electric energy is converted into artistic energy, for example. In this metaphorisation, one may discover an analogy to the notion of capital, which according to Georg Simmel is just a metaphor for energy and possibilities and which is according to Bourdieu subject to various forms of conversion.

Value creation in the form of online businesses has been explored e.g. by the artist group “We-Make-Money-Not-Art”³²² By positioning “Google Ads” on their site they apply a common internet marketing technique and allow Google to display relevant contextual ads. The site is basically a portal for art-news and a blog. In case of a click and a transaction the owner of the website is rewarded with a small fee. So the artist capitalized his audience’s attention and one may argue converts aesthetic and cultural values into financial profit.

³²¹Toma, Yann, *Les Entreprises Critiques*, Critical Companies, Cite du Design Editions, p. 337, 2008.

³²² We-make-money-and-not-art http://www.we-make-money-not-art.com/archives/cat_ars_electronica.php

Collaboration, Commissioning and the Outsourcing

The economic principle of division of labor has become the artistic attitude for artists such as Andy Warhol, Jeff Koons and Mark Kostabi who outsource parts of the creative production. They thereby refer to an important characteristic of modern economies, the principle of division of labor. This principle has been subject of economic theories since Plato, David Hume elaborates on the “partition of employments” and Adam Smith described how a sequence of specialized subtasks increase productivity. Along with the specializations comes according to Marx the worker’s alienation and, they do not actually overlook the context of their doing and therefore suffer from the monotony leading “to spiritual and physical depression”. The principle was later in the era of mass production and so called Fordism again highly controversial. However, most transactional artworks simply share the labor of the production of the artwork. In these transactional art works a social agreement, or deal, is reached between the artist and some other party, which is usually not the audience.

Beyond the renaissance masters with their guilds and schools and in modern times it were the conceptualists, who divided strictly the instructions from the implementation of a work. Sol Le Witt, the protagonist of conceptual art “outsourced” the implementation of his artworks via verbal instructions and this feature was explicitly part of the art work.

We argue, that the conceptual artists introduced a new and “strategic” differentiation” by emphasizing the difference between concept and its implementation. “Concept” refers to the final goals to be achieved; “implementation “are the means, and may be delegated to others and/or subject to collaborative efforts. Joseph Kosuth makes this distinction very clear, when asking the “how?” and the “why?” of an artwork³²³.

³²³ see also chapter on “strategic art” in this thesis

“Artists that (often in retrospect) appear to make quality art, or, better stated – artists that make valid work are artists with a clear or at least steady notion of the ‘why’ of their work. ‘Why’ is about art, ‘how’ is about presentation. ³²⁴”

We find these forms of creative briefing analogue to the innovation management leadership in corporations. Innovations are not only created in research and development departments, but are often initiated by a visionary management, with what we call “strategic creativity”, which documents itself in the description and setting of goals to be reached. John Kao³²⁵ for example, describes, how “crafting a challenge” is the subject of the management in the creative corporate process. Interesting enough, transactional artists use and/or imitate this approach.

Creative briefs and collaborations always raise the question, to what extend the artistic specification is detailed and how much freedom it leaves to others and their creativity. As we saw, some artists, such as Carey Peppermint are actually willing to share their creative rights with their collaborators.



Mappa by Alighiero e Boetti, 1978

Arte Povera artist Alighiero Boetti³²⁶ commissioned 1978 a carpet to be woven by artisans in Afghanistan during his travels through the region. The vague specification of a sketch

³²⁴ J. Kosuth, “*Unpublished Notes 1970*”, in: *Art in Theory 1900 - 2000: An Anthology of Changing Ideas*, Wiley-Blackwell; 2002.

³²⁵ John Kao, *Jamming: The Art and Discipline of Business Creativity*, Collins 1997

³²⁶ Jean-Christophe Ammann, *Alighiero e Boetti - 1965 - 1994.*, Edizione Mazzotta, 1996

and a selection of colors by the artist³²⁷ left quiet some room for interpretation to the Afghan woman involved. It is not recorded, if and how much was paid for this two year production³²⁸. In the current globalized internet-economy and the online off shoring practices this artwork could have been instantiated as an internet collaborative artwork of online-commissioning (see below).

A different form of collaboration is part of Santiago Serra's approach. He hires extras to instantiate his artworks. Here, work is not delegated, and employees are simply "used", often only their mere bodies for the implementation of his art.



Santiago Sierra, 8 Foot Line Tattooed on Six Re-numerated People, 1999

Serra, offers to pay drug addicts in their preferred drugs to perform his art by getting tattooed a line on their back. He thereby becomes an employer and – in Marx terms an exploiter. The employees or workforce has to trade in their body capital in order to achieve an apparent necessity (check Marxist jargon). Cultural Capital is created on the back of economically weak individuals, who do not even receive financial capital in return, but a currency which is even more unavoidable in their eyes, the drug they are addicted to. We consider this controversy work as transactional since there is an agreement or deal essential part of the work. Noteworthy, this deal does not take place between artist and audience,

³²⁷ As the title suggests the artists creates here already two personas of himself, Alighiero *and* Boetti, therefore he has introduced a kind of division of labor already in his understanding of authorship/creativity.

³²⁸ UBS Art Collection <http://www.ubs.com/4/artcollection/the-collection/a-z/boetti-alighiero-e-22/mappa-del-mondo-85/description/index.html>

but between the artist and subcontractors. The audience, as witnesses of the outcome of the deal, is encouraged to debate the moral acceptability of this contract.

The Bulgarian artist Plamen Dejanoff³²⁹. contracted a branding agency to improve his image. After a separation from his former girlfriend and moving from Vienna to Berlin he decided to get his image a new make-over and commissioned the French Designer M/M “invent a logo for his new card and some luxurious announcements including exterior and interior views of the building and the logo with the address.”³³⁰ The artist briefs another creative agency to develop his public persona in the sense of corporate brand leadership. “For Dejanoff, the entire activity transforms the experience of being an artist into a kind of joint venture, common in the real economy”³³¹ writes the artist about himself.

Offering the service of a creativity consultant is the aim of Sigfried Ceballos and Brigitte Rambaud Atelier “Visuolinguistic” since the late 1990ties. Here again we have a company, which is at the same time an art project with the aim to provide tools which enhance creativity. It is offering a partnership service, and conceptually develops projects and is a creativity advisor to anybody hiring them. Not just the artists as creative consultants, but facilitating creativity via its tools and thereby potentially multiply their impact. The tools, which are based on visual and conceptual techniques, are designed to “stimulate long-term innovation”³³².

According to the homepage, the client defines his strategic goals, the agency provides tools helping to realize those. So called tools are customized “graphic-semantic procedures”

³²⁹ Plamen Dejanoff – As by an Invisible Hand,

http://www.nyartsmagazine.com/index.php?option=com_content&task=view&id=1391&Itemid=689

³³⁰ Ibid.

³³¹ Ibid.

³³² Quoted after Toma, Yann, *Critical companies*, p. 435, 2008.

which are then applied together with the customer in workshops lasting at least one week.³³³

The client defines his demand, project, intentions and expectations; portrays his or her work. This is made through e-mail or during a first encounter. The visualinguistic workshop presents then some pre-selected visualinguistic tools and the V-Construction. The final tools are selected and their modes of application are defined together with the client. The results of the collaboration are presented and discussed in a final meeting.



Siegfried D. Ceballos & Brigitte Rambaud, Atelier Visualinguistic, (example of Tool for the organisation of a book),

since 1999

The border to an innovative consultancy offering workshops and an art project is very much blurring. Both forms of capital are created simultaneously, and again, only the perspective and the context may define, if we are looking at cultural capital or at a value creating agency offering like so many others, a unique methodology for enhancing creativity in and with an organization.

E-Commerce, Online Customization and Prosumers

In his influential “The Long Tail” Wired article from 2004³³⁴ Chris Anderson discusses the core internet business and defines it as a niche markets facilitator. Most of the turnover is

³³³ Atelier Visualinguistic, <http://www.visualinguistic.ch/eng/portrait/welcome.html>

³³⁴ Anderson, Chris, The Long Tail Issue 12.10 - October 2004,
<http://www.wired.com/wired/archive/12.10/tail.html>

created by matching niche demand and niche supply and the future successful online businesses will help match the two. Besides niche demand and niche supply is the user-generated content a core feature for future internet business models. Consumers become producers in the sense so called prosumers, that they may remix the original cultural products e.g. in the music scene and create new so called mash-ups, which then again can be consumed and prosumed by others.

So called remix culture is a widely spread phenomenon of cultural production in the internet today. User-generated content, user-driven innovation, “crowd sourcing” and “peer-to-peer financing” are related phenomena, in all of these the previously passive consumers are somehow actively contributing to a business model and the products/services. Not always are they paid in financial terms or profit financially. Often is the motivation to be member of a community around a brand or a fan-club for example. Sometimes, as in peer to peer financing though the users create their own services of lending and borrowing.

Of course these new forms of interactions and transactions have also been picked up by internet artists. Online customization has not yet been extensively been explored, however some artist work into this direction. So offered Eva Grubinger³³⁵ – in her early work *Net Bikini* in the mid 1990ties – through her website the fabrication of do- it-yourself bikinis, which then could be assembled within the gallery on sewing machines. If wanted the visitor’s could send back their creations and receive a label with the artist’s name to tag it to the bikinis. Here the artist does claim brand-ownership and- one may argue tries to add value through remote branding. The user became a producer, if not to say the executing work-force, but not a collaborator in this work. However, the product could be taken by those, who did the manufacturing.

³³⁵ http://www.evagrubinger.com/netzbikini/manual_eng.html



Eva Grubinger, Netbikini, 1997

A more collaborative approach has French artist Caroline Maby chosen. Under the “label mind art³³⁶”, she offers her own oil paintings on a website and allows the audience to “transcend her paintings” With a special tool users can transform her art and then send the new images back to the artist who then offers to print them out for a price which is above the “pure production price” of the print. However, the artist seems not seriously focus on a transaction since she does not state how she prices her artistic “added value” and therefore what the final “retail price” amounts to.



Caroline Maby, Mind Art, MyArtbecomesYours.com, since ca. 2005

The “Readymade belongs to Everyone” agency of Philippe Thomas was an early project form the late 1980ties where audience and artists are closely entrenched in a production of cultural capital. The agency offers its collectors “the possibility of investing into an artistic

³³⁶ Carolyn Maby, <http://www.mind-art.fr/>

project, delivered “ready to go” as an oeuvre for which they become the sole author and which makes them join the big names in the catalogs and events calendars of the best museums.”³³⁷ By acquiring a work and being willing to sign it, the collector becomes its author and, de facto, an agency member. Thomas experimented widely also with marketing and advertising strategies and transferred them into the context of the art world. However, his works tend not involve financial transactions.

PWC is the abbreviation of the 1st Public White Cube in the SF MOMA is an online collaboration/customization work combining the features of auction art. Visitors of the museum can observe an installation which is influenced by the internet audience via a surveillance camera.



Joachim Blank, Gerrit Gohlke and Karl Heinz Jeron, 2001 and 2008-9

The internet audience is able to influence the exhibition up to seven times during each of the two exhibition periods of six weeks. Via an online auction the internet audience can purchase the right to influence the exhibition by bidding in a total of up to seven Ebay auctions.

Starting out from the current exhibition situation, the winner of the auction will be permitted to add, remove or conceal objects, and to manipulate the space together with its

³³⁷ Quoted after Yann T Oma on Philippe Thomas, *Readymades belong to everyone*, in: Toma, Yann, *Critical Companies*, , 2008

artworks at his discretion. The only condition is that any work originally placed in the space by the exhibiting artist may not be removed completely. Otherwise, the shape and means of his “intervention” as the artists say remain entirely in the hands of the successful bidder. All the changes in the PWC 1st Public White Cube will be documented photographically and made accessible on the Internet within 48 hours.

This work is actually selling what in finances would be called a derivative or an option. An option is auctioned off and the users acquire the right for an interaction. One may assume that the later options, when the artwork reaches its “maturity” are more valuable than the initial ones, whose traces may easily be over written.

In the “Frequently Asked Questions” section of the work, the artists discuss the relationship between financial means and reception:

“Doesn’t the procedure hamper the creativity of less well-off bidders? In our experience, the sum with which a bidder wins at auction varies a lot and depends on the number of bidders and their financial possibilities. Every auction begins with a minimum bid of only one dollar. The number of bidders and the frequency and speed of the bids in the closing phase of the auction also reflect the audience’s attention span. As with every auction on the art market, the participants in the strongest financial position will assert themselves in this process. The PWC 1st Public White Cube thus reflects the economic conventions of the art business as well. The project expressly avoids making the „creative competence“ of bidders into the measure of their right to alter the exhibition, but employs the unrestricted mechanisms of the market as a criterion for exercising influence on art and ideas.”³³⁸

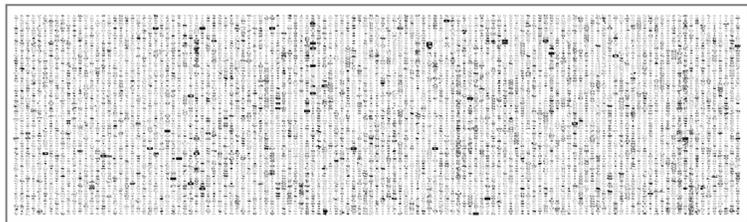
And there is an explicitly stated contractual element in this transactional art work: the users agree to the conditions when he decides to participate in the artwork.

³³⁸ Joachim Blank, Gerrit Gohlke and Karl Heinz Jeron, *Public White Cube*, <http://publicwhitecube.com>

*“Conditions In placing your bid, you agree to certain conditions of installation at SFMOMA, as listed below. SFMOMA will endeavor to accommodate your proposal but cannot guarantee any installation which conflicts with these conditions. Certain materials are not permitted in SFMOMA’s galleries. These include: liquid of any kind, hazardous material....”*³³⁹

The artists offer the audience to acquire the option to collaborate. So financial capital facilitates the right of influence or power to participate in the creation of cultural capital, embodied, though as a processural artwork, however located in a highly recognized art institution, the San Francisco Museum of Modern Art. In this sense the work also overcomes an institutional barrier.³⁴⁰ The artists did not make the link to financial derivatives and offered the audience to trade these options on a market themselves. This feature could easily be added and then also distributed via Ebay.

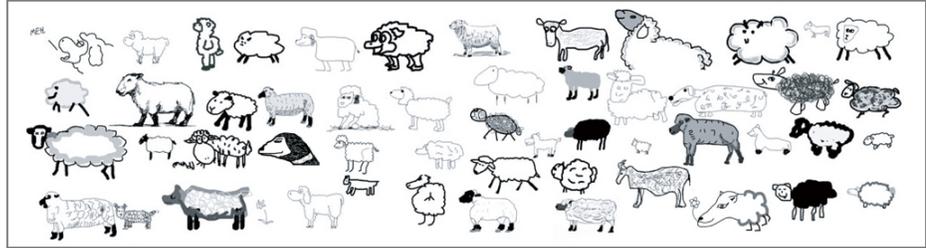
Another form of online commissioning is the work of Aaron Koblin, who posts a task on the internet and let’s the audience create a work, for which he actually pays. *The Sheep Market*³⁴¹ is a collection of 1000 sheep created by workers on Amazon Mechanical Turk. Each worker was paid 0.02 US\$ to “draw a sheep facing left”. The collection period took 40 days, the artist rejected more than 600 submissions and offers them as “lickable stamps” for 20\$ each to be ordered via the website.



³³⁹ Ibid.

³⁴⁰ See chapter on social capital as product

³⁴¹ Aaron Koblin, *The Sheep Market*, <http://www.aaronkoblin.com/work/theshsheepmarket/>, 2008



Aaron Koblin, *Sheep Market*, 2008

In *Ten Thousand Cents*³⁴² Koblin and Kawashima let through the online workforce create a digital representation of a \$100 bill. Using a custom drawing tool, thousands of individuals painted a tiny part of the bill without knowledge of the overall task. Workers were paid one cent each via Amazon's “Mechanical Turk³⁴³” distributed labor tool. This work illustrates perhaps even more than the sheep market, the principle of Marx’s “alienated work” where the worker only overlooks an isolated sequence of the manufacturing process, so small, that his intelligence is not required and he becomes machine-like.



Aaron Koblin, Takashi Kawashima, *Ten Thousand Cents*, 2008

The production cost (here “labor cost” of the workers, not including the work of the artists actually) cost to create the bill, the artwork being created, and the reproductions available for purchase (to charity) are all \$100. The work is presented as a video piece with all 10,000 parts being drawn simultaneously.

³⁴² Aaron Koblin, Takashi Kawashima, <http://www.tenthousandcents.com/top.html#project>, 2008

³⁴³ The name mechanical turk dates back to a simulated chess player in the form of a robotic “turk”, which was actually directed a chess master hidden in the table below the turk. The expression is used for online marketplaces for simple tasks which appear to be executed by machinery, but are actually relying or requiring human intelligence.

In the sheep market Koblin was making a massive profit (19.92 USD per Sheep x 10.000 is max 190.920 USD without considering other potential products coming out of the project). In the sheep project aesthetic value is accrued, the whole is more than the parts, the overall aesthetic value is probably higher than the sum of the individual parts (which as we saw he sells individually). In *The Thousand Cents* the artists decide to donate the generated money, an interesting move, possibly due to critique from the art scene after the reception of the sheep work. These works not only ask questions about the adequacy of compensation, and the mechanical turk online platforms do not require complex agreements or contracts, they simply allow requester and worker to meet online and exchange work (i.e. labor force, or any other activities, therefore time) for money.

Value-Systems and Mash-ups

As mentioned previously, the concept of a value chain is a sequence of procedures which create a product or service and basically add value in every step. The interconnected system of value chains management theoretician Michael Porter coins "value system." A value system includes the value chains of a firm's supplier (and their suppliers all the way back), the firm itself, the firm distribution channels, and the firm's buyers (and presumably extended to the buyers of their products, and so on).

Any business is basically a value chain, adding value in every step of the operation but value chains can also be created across various organizations. We will find examples of artworks, which create value in both ways. Some resembling manufacturing processes others, for example online value chains might be considered similar to so called *mash-ups*, a notion which originates from music practices and refers to the remix of sound tracks. A mash-up is a web page or application that combines data or functionality from two or more external sources to create a new service. An well known example of a mash-up is the use of cartographic data from Google Maps to add location information e.g. for real estate data, thereby creating a new and distinct Web service that was not originally provided by either source.



The Milk Project, 2005

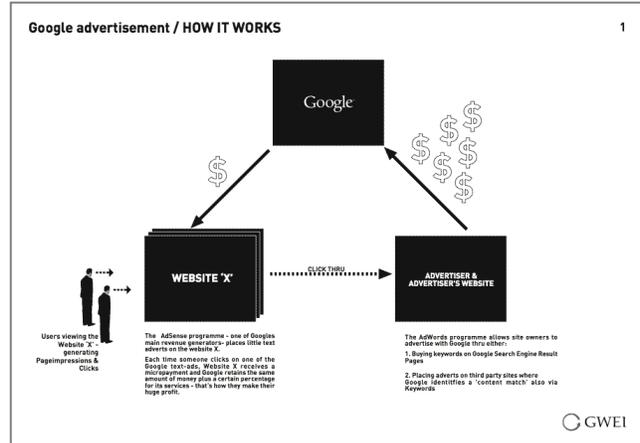
The mere documentation of a chain of transactions was the subject of a media art work, that won in 2005 the Golden Nica: “The Milk Project”³⁴⁴. The distribution path of the product milk which is soon processed into cheese is tracked from Latvia to it’s final consumers in the Netherlands. All participants of this supply chain were equipped with GPS technology. Though not transactional in nature this project generates a form of narration captured by locative media and showcasing the interdependencies in a globalized economy.

A virtual value chain including various organizations is created by the group Uebermorgen³⁴⁵. With “Google Will Eat It Self”³⁴⁶ the group designed a value chain as a closed circuit of transactions: they first generated profits by manipulating the Google ad-sense program and used the generated funds to buy stocks of Google. The system relies on an illegal manipulation which actually generates financially viable values. But again, the artists deny themselves to take the profit and rather reinvest the generated funds. This work was soon taken down due to the legal objections of Google.

³⁴⁴ *The Milk Project, (2005)*, <http://milkproject.net>

³⁴⁵ Bernhard, H. Media Hacking Digitaler Aktionismus,
http://www.ubermorgen.com/publications/iem_cube_2005/CubeMediaHacking.htm

³⁴⁶ GWEI, Google Will Eat Itself, http://gwei.org/pages/texts/media_hacking.html

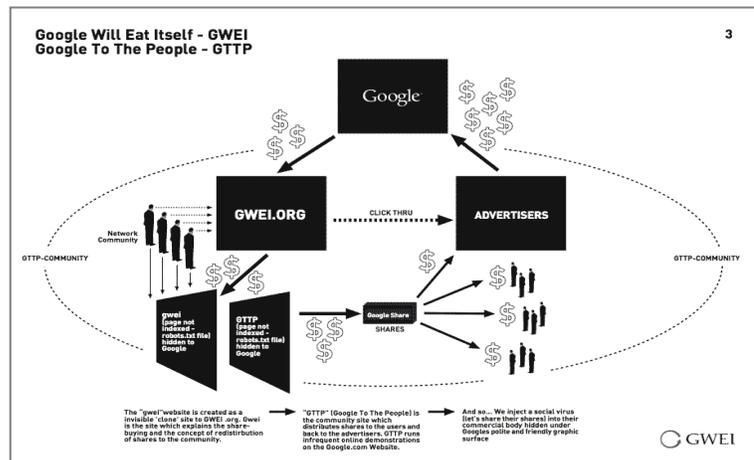


Uebermorgen, Google will Eat It Self (GWEL) – Google Advertisement/How It Works, 2005

The artists explain their concept via a flow chart, illustrating the circle of transactions:

“Users are viewing the Website “X”, generating page impressions and clicks. “Each time someone clicks on one of the Google text ads, Website X receives a micropayment and Google retains the same amount of money plus a certain percentage for its service, this is how they make their huge profits. “

“The Adwords” program allows site owners to advertise with Google through either: 1. Buying keywords on Google Search Engine Result Pages 2. Placing adverts on third party sites, where Google identifies a content match also via keywords. “



“The GWEI website is created as an invisible “clone” website to GWEI org. GWEI is the site which explains the share buying and the concept of redistribution of shares to the community. GTTP (Google to the People) is the community site which distributes shares to users and back to the advertisers. GTTP runs infrequent online demonstrations on the Google website. And so we inject a social virus (let’s share their shares) into their commercial body hidden under Google’s polite and friendly, graphic surface”.

This work is an interesting mash-up using an existing service of Google Ad; they manage to generate some economic value, though not exactly with legal means, and create a transactional “closed circuit” installation on the internet. The artists create economic capital through an illegal activity. This actually amounts to a violation of social consensus. Uebermorgen may argue that they compensate for this deliberate malicious “social virus” with the “Google to the People” initiative, a gesture of “redistribution of (the, here, illegitimate acquired) wealth. Plus, they could argue, they generate as an art or activist work some aesthetic value in the form of this witty demonstration of the mechanics of current internet advertising. However, as so often the artists do not provide a sound argumentation or any constructive alternatives to the social mechanism they criticize.

Another way of a business mesh-up and a new way of reflecting Intellectual Property licensing and the re-use of creative products is work by Philippe Parreno³⁴⁷. He acquired the rights (for 500 Franc) of a digital Japanese manga character called *Annelee* from an animation company, revamps the design and then allows other artists to use it for their work, i.e. create artworks with it.

“In 1999, the French artists Pierre Huyghe and Philippe Parreno found her image in the catalogue of Kworks, a Japanese agency that develops manga figures for animated films, comic strips, advertising, and video games. The prices of these images depend on the complexity of their character traits. The copyright for this

³⁴⁷ http://www.stretcher.org/archives/r3_a/2003_02_10_r3_archive.php

one, a nondescript, expendable, empty vessel ripe for exploitation was cheap: a mere \$428 for her digital file.”³⁴⁸

Instead of advertising agencies or other commercial users Parreno offers this virtual character to other artists thereby creating, similarly to many other transactional artists, a kind of meta-artwork. He facilitates the creativity of others, here by providing the cultural capital to create more cultural capital.



Philippe Parreno, Anywhere Out of the World, 2000

The manga character has its own personality inviting other artists to make use of her. Parreno considers this service of non-economic productivity as a form of liberation, as she is now freed from the market-place.

“My name is Anelee. I am a product, freed from the marketplace. I belong to who so ever is able to fill me with imaginary material”³⁴⁹

³⁴⁸ Souce/Stretcher org?

³⁴⁹ Money, p 159



Pierre Huyghe, Two Minutes Out of Your Time, 2000

In its three years of operation, the “Annlee industry” produced animated videos by Huyghe and Parreno as well as Liam Gillick, Dominique Gonzales-Foerster, Francois Curlet, Melik Ohanian, and Rirkrit Tiravanija. Other artists and writers who participated in the project include Joe Scanlan, Douglas Gordon, Sylvie Fleury, Molly Nesbitt, Catryn Davis, Angela Bulloch and the actress Catherine Deneuve³⁵⁰.

Contracting

As we already observed many transactional artworks include some sort of deal. Often these deals are not explicitly made subject of the artwork, they are just a condition of its creation. In the following section we want to concentrate on artworks, where there is deliberately the offer and the agreement or some similar deal-like structure is part of the work.

A way to thematizes the unique value of art and the mechanism for pricing through very original deal-making was presented by Yves Klein in 1957: He exhibited several of his monochrome blue painting in various sizes and let the buyer define the price for each. The work was called “Cherche le Valeur de Tableau” and presented in the gallery Apollinaire. So every buyer would negotiate an individual deal. However, this transaction was not part of the paintings themselves, but more part of the event-character of the opening.

³⁵⁰ Link to catalogue, and http://www.stretcher.org/archives/r3_a/2003_02_10_r3_archive.php

A quiet invocative deal was offered by the Singaporean concept art group *Artist Village* to their audience. They decided to pay the audience to collect their work. This experiment was part of the so called “Beauty Exhibition” in 2002³⁵¹.

“Sums above 1 \$\$ will be offered by the artists to encourage Singaporean to keep one of their creations. The objective of the exercise are twofold: firstly, Singaporeans who may never have considered collecting art before may now be spurred to do so on terms that they might be better able to appreciate, that of pecuniary benefit; secondly, Singaporeans who do collect art often have conservative or unadventurous tastes, and the reversal of monetary flow might enable them to consider art of merit which need not be pretty, decorative or inoffensive.”

He the artists are actually willing to pay for the “education” of their audience and create perhaps successfully some future demand through initial sponsoring. The artist sponsors the acquisition of the cultural capital, which in his eyes, the audience is lacking. This meta-concept was part of the exhibition, but not featured as an artwork itself. Therefore it does not qualify as transactional art in the narrower sense, but since an activity of artists, could easily be turned into a transactional concept.

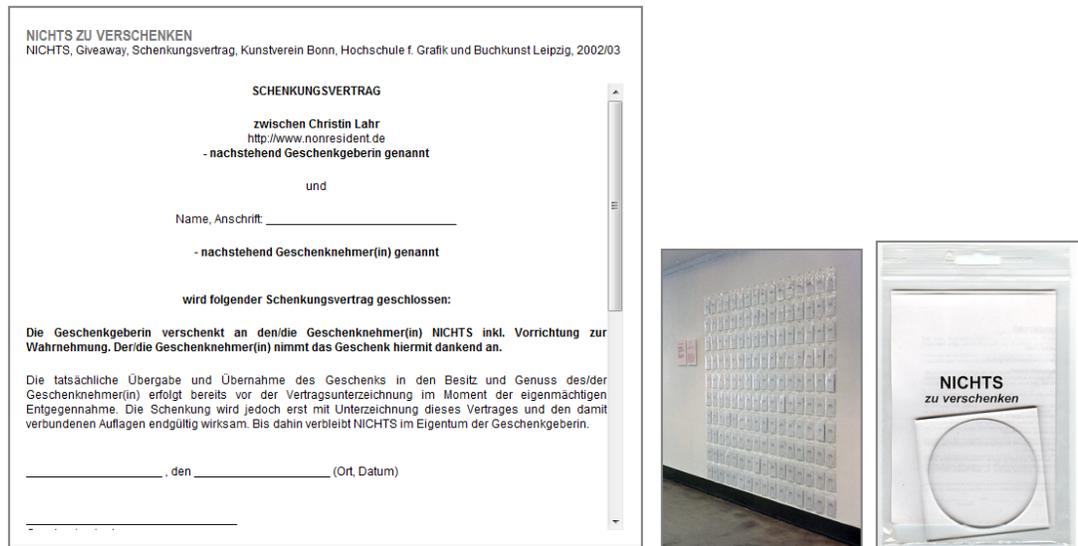
Very differently, Christin Lahr makes contracts as their explicit subject of works. In the German project “*Nichts Zu Verschenken*” (“*Nothing to Give Away*”)³⁵² she offers the audience to sign a gift contract about “Nothing”. This contract can later be sold like any artwork and a profit can be made. If the audience does not sign, they also have “Nothing”, but they do not have the right to benefit from the appreciation in value– the artist claims. The contracts are materialized as plastic foils with a cut out form, e.g. a circle³⁵³. Lahr plays with the various meanings of the notion of “Nichts”, which is at the same time subject of

³⁵¹ Artist’s Village, http://www.tav.org.sg/Archives_Chrono.htm

³⁵² Lahr, Christin, homepage, Project Nichts Zu Verschenken,2002, <http://www.christin-lahr.de/d/projekte/projekte.html>

³⁵³ According to a private correspondence with the artist.

an agreement between audience and artist. Again, it is a free gift and not a financial transaction that the artist engages the audience with.

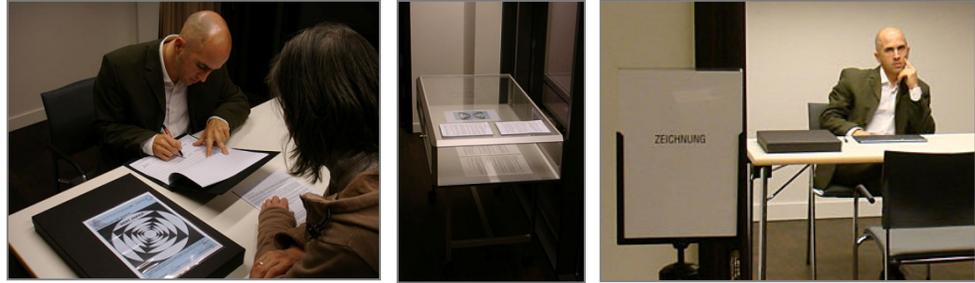


Christin Lahr, Nichts zu Verschenken (Nothing to Give Away), 2002

In this work Lahr plays heavily with the conventions of contracts which is explicitly part of the art-work. The audience signs to accept the gift of nothing, which actually implies – as in legal terms – some obligations. For example stay the Intellectual property rights all with the artist and in case of selling the work, the artist the artist receives 5% of the price³⁵⁴.

Another example of the “Nichts-Series” is The project “Nichts zu Verlieren” (Nothing to Loose) where Lahr issued stocks of the value of zero, which are actually not allowed in the German Stock markets, but can be subject to Over the Counter (so called OTCs) deals, from individual to individual. The artist issues one hundred 100 stocks which have the material value of 100 EUR and “destroys” the capital by giving them the nominal value of zero each. The stocks she called “non-valeurs”.

³⁵⁴ See full version of the German contract in the Appendix



Christin Lahr, Nothing to Loose (Nichts zu Verlieren), 2008

Part of the project is not only the performance and installation with someone offering the audience to sign, but texts defining the statues of the *NULL-AG* (Zero Corporation). The company's mission is to "understand nothing, value nothing, publish nothing, distribute nothing and not to create value".³⁵⁵ Otherwise the description of the statues follows the conventions of a German Corporation and has actually the form of a contract.

Christin Lahr is a transactional artist, who makes contracts part of the work. Playing with the meaning of the word nothing she refers to the economic and the cultural capital and the interpretations of her works, similar to other transactional pieces, like Duchamp, oscillate between the various meanings implied. With "nothing" she seems to refer to economic capital, however she always at the same time creates cultural capital, be it in the form of objects, installations or performances. The artists so far rejects any transactional participation on the art-market and has, "never sold a work", despite the demand from various galleries. Her approach is to finance her living as an academic and use the artworks merely as a vehicle to convey her critical political views. As witty and complex as Lahr's works are, the message, and the addressees of her works is sometimes left relatively unspecified.

The deals she proposes are more absurd, than "constructive" or helping as we will see the various market-platforms which actually aim to facilitate and detect new opportunities, in whichever field. Lahr's work have a more Dadaist streak, a transactional play with the notion of values and capital. Differently than many other transactional artists she offers

³⁵⁵ Christin Lahr, homepage, project "*Nichts Zu Verlieren*",2008, <http://www.christin-lahr.de/d/projekte/projekte.html>

quiet a depth into economic and societal principles and applies for example contractual conventions in great detail.

Products around Social Capital

Social networking sites, such as Facebook, Orkut and MSN facilitate social capital and offered completely new ways to represent and even increase it. Also some transactional artworks create some sort of social capital as their product when they aim to overcome mechanisms of social exclusion. They facilitates someone, be it the audience or even some selected target group to gain some sort of social benefit, which it would not have access to without the art work. These works have often a political motivation and favor basis democratic political views tend to be against social selectionism and question and/or criticize social institutions and their mechanisms of gate keeping.

“Items for a better life” offers the Mexican art group “Mejor Vida”. All sorts of subversive goods and services, such as fake subway tickets, student ID cards stamps “as well as printable barcode stickers supposed to lower prices” etc. can be ordered through this online shop. Mejor Vida is a non-profit organization and all articles are free. Therefore this online shop is another kind of art as give away, but in the form of a free shop. In the case of the special offers for financial bargains goods it offers a material advantage to the users/customers, though for the price that it is violating legal norms.

Some of the products challenge social mechanisms of exclusion and institutional barriers. The buyers may acquire social capital, i.e. value that emerges through relationships an individual has access to. A better life (Spanish: *mejor vida*) is offered in the form of social capital, when id cards are distributed and allow access to social circles, which otherwise require to overcome a process of social selection. The artwork offers access to social capital, which otherwise would not have been possible.



Mejor Vida Corp, 2002

The artists do not really are in possession of these resources, which as we saw are also not easily transferrable. However, they provide access, disobeying the social norms and acquiring this capital themselves illegally. In legal terms the offer the artists make is not legal itself, as they actually do not own the rights on the products and services they offer.

A similar example, but in the institutional realm is the work of Cory Arcangel when she intervened in the Frieze Art Fair's selection process: Arcangel hid a golden ticket inside one of hundreds of chocolate bars which were sent to all the galleries who were unsuccessful in their application to this year's fair³⁵⁶. Similarly to Mejor Vida, the artist circumvents a mechanism of social exclusion, or selection mechanisms for membership to an exclusive, social group, here the selected galleries, which qualified for the being part of the fair. Other than Mejor Vida, who entered somehow a legally questionable realm.



Cory Arcangel, Golden Ticket, 2008.

³⁵⁶Cory Arcangel, *Frieze Projects*, http://www.frieze.foundation.org/commissions/detail/cory_arcangel/, 2008

Arcangel creates the value with authorization and in collaboration with the art fair. Since the galleries have to qualify, here the lucky gallery who draws the golden ticket, is allowed beyond the selection criteria and has a chance to prove their worth, as an before overlooked candidate. This work questions not only mechanisms of social exclusion in general, but in particular again, the issues of valuation, evaluation of art.

A direct conversion of economic capital into symbolic and cultural capital can be seen in Caleb Larson's Donor Plaque (2009). He maps the amount of online donations to the size of a graphic of the donor's name, which is after a period of time printed as a brass plaquette in an exhibition.



Caleb Larson, Donor Plaque, 2009

This wonderfully minimalistic work displays very effectively the the mechanisms of the conversion of economic capital into social capital, at the same time potentially becoming a status symbol for donor and receiver alike.

Mathieu Laurette offered non-represented countries national participation in the exhibition in exchange for the country granting him citizenship at the Venice Biennale in 2001. Again an artist uses his own status to allow others to overcome some sort of social and economic barriers, but offers this as a deal, not as a pure donation. In this series he attempts to acquire as many nationalities as possible. Interesting enough for himself, he is asking his audience for donations as well as legal advice and practical support through donation boxes displayed in museums and exhibitions as well as through websites.

These works are examples, where social capital is created and given away, again somehow for free. A rather blunt attempt to convert social capital into economic capital is the initiative “sellyourfriends.com” on the social software site Facebook launched in September 2009. The idea is to buy and sell friends as so called pets, initial price is 1 USD for each, prices can increase, but not decrease, the more friends one owns, the better and the more one sells, the more economic profit is generated.

Though not an art work but a start-up is the non-profit organization The Whuffie Bank³⁵⁷. This website builds a virtual currency called whuffie³⁵⁸ based on reputation that can be redeemed for real and virtual products and services. Whuffie Bank apparently is based on the assumption of a mapping between one’s reputation and wealth and is basically a barter system where the wealth of the participants is derived from their engagement in social networks, such as Facebook and Twitter.

Systems of Transactions

We will introduce a last category for transactional art, which is not only artistically dealing with transactions themselves, but on a higher level facilitate any transactions. Most artists in this field have an intuitive and non-theoretical approach to the field, without detailed reference to the respective discourses, such as currency trading, financial systems and theories of markets. As with the artistic business-models, some of these artworks may be considered as potential innovations, others may just be conceptual interesting artworks, beyond any potential for a realistic implementation.

³⁵⁷*The Whuffie Bank - Reputation is Wealth*, <http://www.thewhuffiebank.org/>

³⁵⁸ The term was coined by Cory Doctorow, a blogger and science fiction writer who used the term on his novel *Down and Out in the Magic Kingdom*. (2003, download under <http://craphound.com/down/download.php>) In this work, he refers to a reputation based currency under the name *Whuffie*. Later on, the expression was commonly used to refer to *social capital*, in the sense of a persons' reputation or influence within a social network. The whuffie factor, introduced by Tara Hunt's book *The Whuffie Factor* (<http://www.thewhuffiefactor.com>, 2009) defines whuffies as a measurement for social capital and provides recommendations on how to improve the awareness of a brand or an individual by “doing good” unto others.

Conversions of Economic Capital - Blending Virtual and Real Economies

Referring to Bourriaud's "arenas of exchange" these kinds of transactional artworks link the virtual arena of an online game or a virtual world with the outside world, not only as a social entity, but to the economic system. Since both worlds have a form of economic capital, there may exist official conversion rates, which are actually quantifiable, similarly to the currency exchanges of the international Forex (foreign exchange) market.

However, creating counter-economies which are more or less entrenched with the real world is a strategy only few artists have the resources to do. The Dutch artist group Atelier van Lieshout³⁵⁹ designed for their utopian state-like territory in Rotterdam a currency called AvLs, which are convertible at an exchange rate of 1:1 into beer.



Atelier van Lieshout, 100 AvL, 2003

Entrenched with the real world are also many economies which emerged around virtual worlds and multi user online games economies. For example, in the context of MMPORGs (Massively Multi Player Online Games) not only players and virtual artifacts can be traded, but also the off shoring of labor intense activities to low wage countries is facilitated³⁶⁰.

In this category we could also subsume Boggs private currency approach. However, he is more bartering than inventing a new system of currencies.

³⁵⁹ Atelier Van Lieshout, <http://www.ateliervanlieshout.com>

³⁶⁰ Play Money, Julian Dibbell, 2006.

Facilitating the Exchange of Values - Marketplaces

Alexander Galloway states that today's internet protocols are "synonymous with possibility" and that the internet facilitates the economic form of market places. Media art has always been the creation, design, structuring and control of possibility spaces (the set of choices offered by non-linear media) and artists have attempted to continuously expand these. One transactional artistic strategy is the creation of market places themselves. The artist may not participate in any transaction, but merely provide the platform for potential transactions. In that sense they may be considered as meta-artworks using transactional media.



Rob Pruitt's fleamarket at the Frieze Art Fair 2000

Without the use of digital media and exhibiting a real marketplace was the project *Fleamarket* by Robert Pruitt at the Frieze Art Fair in 2000. "There are those who say that Frieze Art Fair isn't much more than a massive, posh yard-sale, so it seems no real surprise that Pruitt is taking that to its logical conclusion with this stand - though, says Pruitt, "it's not a punk-rock gesture"³⁶¹. Artists or just friends of the artist sell all sorts of objects artworks included, but also lipstick-consultation, T-Shirts, cookies, posters etc. Like the golden ticket, this work somehow undermines the selection process of an established art fair and the artists facilitates a platform for others to make some deals, and/or some money thereby having a chance to present themselves to the audience.

³⁶¹ Charlotte Higgins, *Fleamarket* at Frieze Art Fair? http://blogs.guardian.co.uk/authors/charlotte_higgins/

Without an artistic intention Robin Hanson³⁶² created “Idea Futures” a market platform to bet on opinions, mostly political issues. Users could actually “put their money where their mouth is” and according to the development of events win or lose. Hanson considered this online market a potential tool for collective decision making. The jury of the Prix Ars Electronica 1995 discovered him and rewarded him with the Golden Nica for Interactive Art. Under the name of “prediction markets” these kind of online poll systems have since then been researched in economic and political disciplines. Despite not being a critical media artist from his background, the rhetoric of Hanson is highly critical of the political system of decision making.

***The Idea:** Our policy-makers and media rely too much on the "expert" advice of a self-interested insider's club of pundits and big-shot academics. These pundits are rewarded too much for telling good stories, and for supporting each other, rather than for being "right". Instead, let us create betting markets on most controversial questions, and treat the current market odds as our best expert consensus. The real experts (maybe you), would then be rewarded for their contributions, while clueless pundits would learn to stay away. You should have a free-speech right to bet on political questions in policy markets, and we could even base a new form of government on idea futures.*

One can subsidize a market on a question, offering extra rewards to those who bet right on this question. This subsidy is an "information prize", offered to those who first provide information on a question, in contrast to an "accomplishment prize", given to those who first accomplish some task. Instead of patronizing academic basic research via proposal peer-review, we should use prizes more.

As a trained economist Hanson draws two links to the field of financial derivatives, financial instruments who “bet” on the change in value of some “underlying” which could be a stock, commodity or anything else (in the case of “real options”). Hanson’s market

³⁶² Robin Hanson, *Idea Futures*, <http://hanson.gmu.edu/ideafutures.html>.

place for futures is a marketplace for hypothesis, which over time will either be verified or falsified.

“All of our familiar financial instruments - stocks, insurance, commodity futures, options -- were once forbidden by anti-gambling laws. Laws could change to favor Idea Futures too.

Some credit derivatives pay out if agencies downgrade the credit rating of a company's debt. This shows that subjective judgments by established judges can be used to settle bets. “

Since the practical part of this work³⁶³ was inspired by Hanson's view on derivatives we would like to quote him in detail:

Stocks and bonds are bets on big bundles of ideas: underlying technology, business strategy, marketing skill, prices of input factors, market demand, etc. You want to bet on just what you think you know about.

Derivatives are usually required to have prices predictable from the underlying instruments they derive from. Many believe that the right combination of existing instruments can reproduce any bet, so new instruments only lower transaction costs. They're wrong.

Insurance companies can sell arbitrary bets, but only to those with an "insurable interest".

Regulators only allow Commodity Futures where someone needs to insure against big risks.

British bookies can take any bets, but insist on setting prices instead of being market-makers. So they won't bet on stuff, like science, they don't understand.

³⁶³ In particular, O-d-o.com

Hanson envisions a new form of political decision making and interesting enough his goals collided with the art arena's interest in the same subject, so that we was awarded in an arena, he had never heard before of³⁶⁴.

A market platform for knowledge exchange without any financial transactions facilitates Hannah Hurtzig. Here, merely intellectual - or in Bourdieu's terms cultural - capital is exchanged, knowhow, which experts transfer to the audience, who can "book" an 30 minutes one-to-one dialogue with one of 50 experts. All conversations are archived and accessible after the event. The topics of the events vary, and cover issues like "Waste", Atmospheric Politics", "Mobility Pioneers" etc. Hurtzig draws explicitly the analogy to financial markets, but does not introduce any currency or metric for the values exchanged.



*Hannah Hurtzig - Blackmarket for useful Knowledge and Non Knowledge No 11, On
WASTE: The Disappearance and Comeback of Things & Values, 2008*

On the project website she writes³⁶⁵:

“A Blackmarket is an interdisciplinary research on learning and un-learning, where narrative formats of knowledge transfer are tried out and presented. The installation imitates familiar places of knowledge exchange, like the archive or library reading room, and combines them with communication situations such as markets, stock exchanges, counseling or social service interviews.”

³⁶⁴ According to a private conversation with the author.

³⁶⁵ www.mobileacademy-berlin.com

Expertise is exchanged for free and there is no information about the demand or supply for the interviews, nor a ranking according to the popularity of the involved knowledge providers. The artist seems to deliberately avoid the mechanisms of a real marketplace for the domain of science and debate. Perhaps she aims to protect these discourses from the apparent blunt forces of demand and supply and other mechanism defining value, as discussed above, despite referring to the notion of the marketplace in her title. Also, the more radical approach to apply market mechanisms to the domain of know-how and scientific enquiry may have certainly provoked, if not offended some of the participants. Possibly artist aims to defend the freedom of science as a domain, which Bourriaud coined similar to art- as outside of the system and the law of profits³⁶⁶.

Mathieu Laurette created a kind of barter platform with his copyrighted concept for a television show called “The Great Exchange”. He gave TV viewers in Bilbao a chance to buy objects in exchange for a car which he offered himself. The highest offer would be accepted, and then in turn be presented the following week for another exchange, and so on.



Mathieu Laurette, El gran trueque (The great exchange), 2000

After a few months the series of swaps finished with a set of six blue glasses that remained unswapped. The show was produced in 2000 and broadcasted in the Spanish TV. This event literally explored the concept of exchange value and all the related implications – value for whom, for what. The artist allows the audience to witness an interesting deterioration of value through the chain of trades. Nicolas Bourriaud describes Laurette as

³⁶⁶ See above chapter on relational aesthetics.

"using society as a catalog of forms...he plays with economic forms as if they were the lines and colors of a painting."³⁶⁷

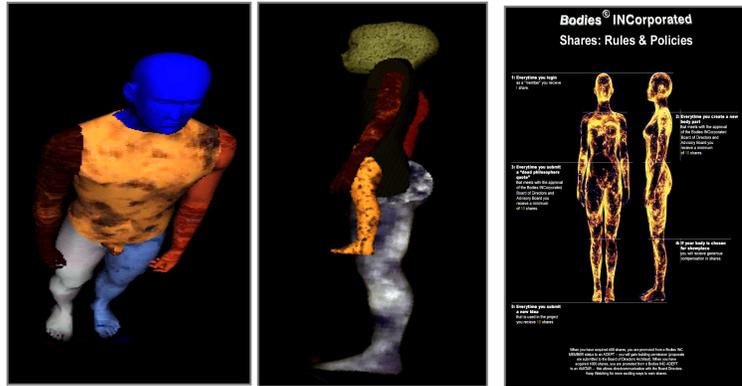
Victoria Vesna creates a market for body parts during her project “*Body Incorporated*”³⁶⁸. User can build virtual bodies out of virtual body parts (graphics) provided by the artist on the website. Participation allows entry into the “*larger body-owner community* where users can accumulate shares to perform a wider range of actions and to eventually choose how their bodies die. Vesna explains on her website:

“The value of the corporation consists of the virtual artistic results of this self-expression. Labor is self-directed. Labor in fact, almost entirely disappears. The corporation has no employees. Labor cannot be distinguished from artistic management. Management has metamorphosed as well. Managerial layers of control do not exist. The boundaries of the corporation are virtual and permeable. Anyone who wants to become a member can do so. The consumers of the product are also its producers. Shareholders are all consumers, and all consumers have shares. All this makes Corporation B open to the surrounding society. As an instrument of production, it is subject to its members' non-financial desires.”

Value, within the Body Incorporated system, is created via participation. Points gained for logging in, creating body parts, submitting quotes, when body is showcased and for submitting new ideas. These points may be used for “advance in corporate ladder” and to gain access to abilities.

³⁶⁷ Bourriaud, Nicolas; *Relational Aesthetics*, Les Presses Du Reel, 2002

³⁶⁸ Vesna, Victoria <http://www.bodiesinc.ucla.edu/> and <http://medienkunstnetz.de/works/bodies-incorporated/images/4/>



Victoria Vesna, *Body Incorporated*, 1995

Vesna has her own logic for her system. More shares are needed for non-ideal body parts. The tall, slim Euro-American ideal is more common and therefore inexpensive. The artist creates an utopian economy, governed by principles which she subscribes to and which may be contradiction the economic reality outside of her artistic realm.

Maurice Benayoun offers with *Last Life* a video game like market place to let one's lives compete with each other via real-time webcam streams. "If the others prefer your reality over their own, then you have won"³⁶⁹. And one "loses life time" if one spends the time watching the others instead of working on one's own life. In this game no economic capital is transacted, but it makes the proverbial relationship between time (to be precise life-time) and money visible and stresses the transactional character of attention in an attention economy.

In his *Emotional Stock Exchange* "3200 quotations for an emotion corresponding 3200 cities all over the world are displayed in real time".³⁷⁰

³⁶⁹. <http://www.benayoun.com/projet.php?id=127>

³⁷⁰ Maurice Benayoun, home page <http://www.benayoun.com/projet.php?id=33>



Maurice Benayoun, Emotional Stock Exchange, World Emotional Mapping, since 2005

The art foundation *Mediamatic*³⁷¹ hosts a matchmaking service facilitating, e.g. encounters with “Russian Brides”. This marketplace is meant as a contribution to the discourse around foreign workers in the Netherlands and a critical reflection of the respective immigration policies.



Mediamatic Russian Brides, 2008

Russian Brides integrates in Mediamatic’s general social software research:

*Maybe you are looking for a muse, a flatmate, a one-night adventure or a sponsor?
We developed a special dating machine for people in the Arts, Media and Design.
It's safe, free and open for everyone. Get started today!*

³⁷¹ Mediamatic, *Russian Bride*, www.mediamatic.net/russianbrides

On the right, you see a random selection of dating profiles. Feel free to click around. The most effective way to search them is to make your own profile. The system will then automatically select the best matches for you!

Is it an art project? Yes. You're at Mediamatic.

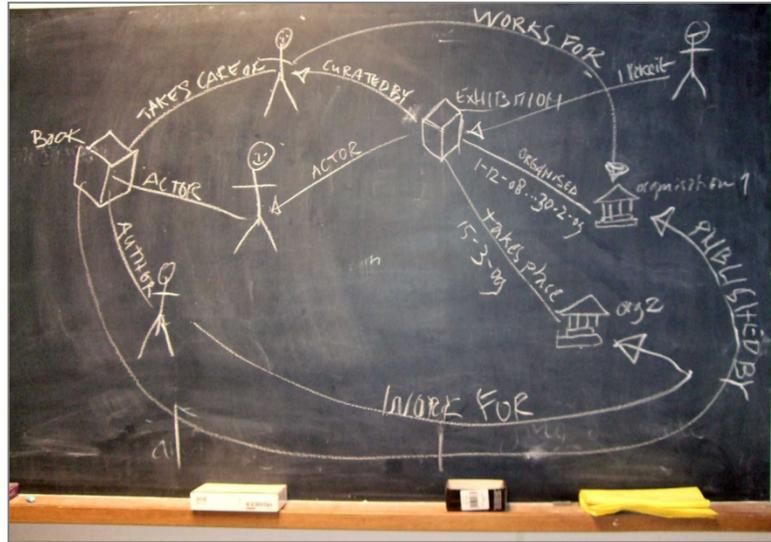
Is it real? Of course. You're at Mediamatic.

Is this dating project a waste of arts funding? We don't think so for 3 reasons. 1: The project is sponsored by Mediamatic Lab. That makes it affordable for a small organization like Mediamatic foundation. 2: The money and time we do spend on it is well spent because we seriously research and develop the social challenges of the arts and heritage sector with this project. Also the project is an art project in the sense that it forces the user to reconsider their perceptions and preconceptions of their contemporary surroundings. And actually, we feel it is innovative and beautiful too. 3: The project attracts visitors to our website that will also take notice of our other activities. It is effective cultural marketing.

Mediamatic explicitly states, that this match-making service is meant to be an art work, besides offering some serious use-values to its participants. The Dating Service is a market-platform for any needs, one may want to pursue. Utility and aesthetic values seem to coincide, a so far rather rare coincidence in the field of transactional arts.

In 2009 they launched a “Travelnetwork for creative professionals³⁷²” which allows hiring “guides” from the creative community when travelling to other cities. For 45 EUR a local guide can be hired for an 1 hour consultation and initiation into the local art and cultural scene. Willem Velthoven, the mastermind and initiator of Mediamatic draws the “business model”:

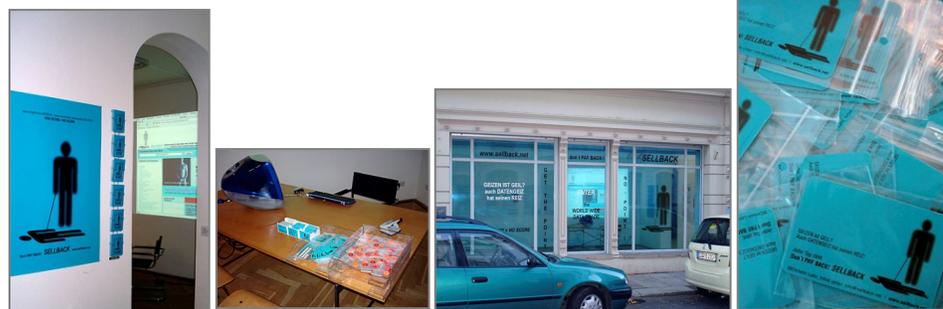
³⁷² Mediamatic, *Travelnet*, <http://travel.mediamatic.net/>



Mediamatic, Travelnet, Drawing by Willem Velthoven, 2009

According to this drawing the service is a non-for-profit and purely connects travelers with guides from the cities.

Christin Lahr initiates a market for the exchange of personal data as a critical work on privacy issues in the internet. With *SellBack*³⁷³ she allows the audience to evaluate their privacy data and then offer these data on her market platform. This idea is quiet similar to Jeff Gates attempt to auction off his personal data (see above).



Don't Pay Back, Sellback, Enter the World Wide Data Trade, Christin Lahr, 2006

Lahr creates, differently than Gates, a whole installation around her market place, called the "D-Trade" with advertizing and merchandizing products such as calendars, stickers,

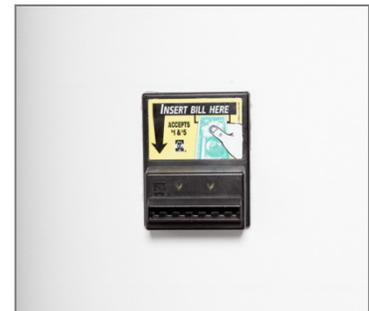
³⁷³ Lahr, C, *Don't Pay Back - Sell Back*, <http://www.sellback.net>

free postcards etc. The objectified cultural capital is only the marketing material and the online platform for this virtual market. These objects may cover and distract from the fact that this platform most probably suffered heavily from a liquidity problem. However, its aesthetic value lies in its installation and the critical awareness it creates for issues of cyber privacy.

An interesting deal between collector and artist is crafted by Caleb Larson³⁷⁴, who declares the receipt of a transaction between the artist and the collector an artwork while he is practically making the collector covering his debt.

“In this transaction the collector assumes responsibility for the totality of the artist’s credit card debt as part of the studio practice. The debt is not sold, but the balance is transferred from the artist’s credit card account to that of the collector. The receipt remains, not as the work, but as the residue of the transaction.”

In another work, he installs a standard bill acceptor into a plain white wall and aims to accumulate the capital of 10.000 USD. Again a contract is at the core of the work.



Caleb Larsen, 10.000 \$ Sculpture (in Progress) 2009.

This artistic contract does not define though what will happen with the money raised, but communicates some other conditions of the artist and the audience, addressed as “collectors”.

³⁷⁴ Larsen, Caleb, <https://mail.google.com/mail/?hl=en&shva=1#drafts/12b456f3dbaa236f>

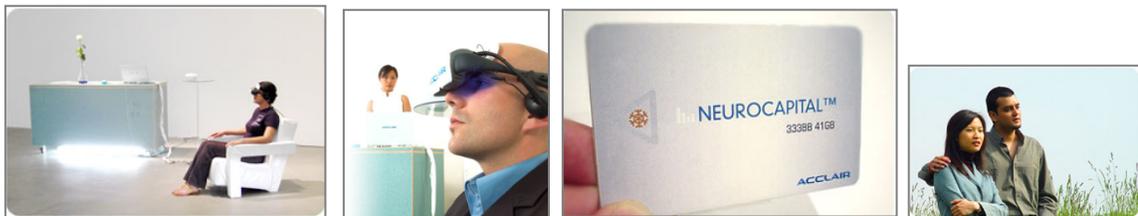
“The contract stipulates that the money collected by the piece does is not to affect the market value of the work. Meaning, the money is to be considered a material of the piece, not capital. Also, since the work is meant to always be “in progress” once the work has collected the total \$10,000 the amount is to be split 50/50 between the artist and collector. Like the avaricious Sisyphus, the work is reaching towards a goal, only to be returned its starting point upon reaching the goal.”³⁷⁵

This work illustrates perfectly transactional arts, as it defines per contract not only its own value and the forms of capital involved.

A new kind of deal is also the business model, which *Acclair*³⁷⁶ is based on. Per video convey the artists how the clients of Acclair will be “neuro-scanned”, meaning their neurological preferences etc. will be extracted for a compensation.

“Brain Fingerprinting is a quick and painless research gathering tool that constructs consumer preference profiles based on person type (age, race, geographic location, buying and travel patterns, medical conditions, etc.). Analysis yields reports that are then sold to corporate clients.”

The brain-analysed users accumulate “neurocapital” which they can redeem in “financially valuable” other services. They may also be rewarded with a membership card which is similarly to other reward schemes (e.g. frequent flyer miles) classified according to some social status.



Luther Thie, Eyal Frid, Acclair, 2004

³⁷⁵Larsen, Caleb, <http://www.caleblarsen.com/projects/10000-sculpture-in-progress/#0>

³⁷⁶ Acclair, www.acclair.co.uk

The whole process is called “neuromarketing”, and Acclair insists that this is not exposing micro messages to the users, but to scan their brains for consumer preferences. By allowing access to one’s cognitive apparatus, one accumulates “neurocapital”, a newly introduced currency which in order to indicate the conversion of perhaps mostly cultural capital determining the consumer’s preferences into economic capital. Since with the insight into the user’s brain and privacy comes total transparency along, one may also sigh up and become a “trusted citizen”. Users then can accumulate amnesty points, which in certain situations provide some legal protection. Again also accumulation of this form of capital can be redeemed for social status and/or financially viable benefits, for example for air travel. This work is all about the conversion of various forms of capital, thereby imaging loyalty programs with their derived and inverse accumulation of some sort of capital: the more we spend on a credit card, the more points we accumulate, encouraging us for more transactions in the primary currency. The art group here creates a business model around a fictitious way to a form of economic capital and compensates the users for giving out a fictitious form of capital, which can be converted into economic capital.

As a market place for the redistribution of cultural capital may be considered the community project “*www.lkg.org*”. Travelers through China can volunteer to transport educational material to remote areas. The platform helps to coordinate supply of volunteers and demand for educational material etc. The work, though not exactly produced with artistic intention was awarded at the Ars Electronica in 2005.

The project “Open-Clothes.com”³⁷⁷ envisions a platform for all transactions and interactions around the design and distribution of customizable clothes and won also an Ars Electronica distinction award for communities in 2004.

³⁷⁷ Open-Clothes - 6 billion ways of producing fashion for 6 billion people, <http://www.open-clothes.com>



Open-Clothes.com, 2001 onwards

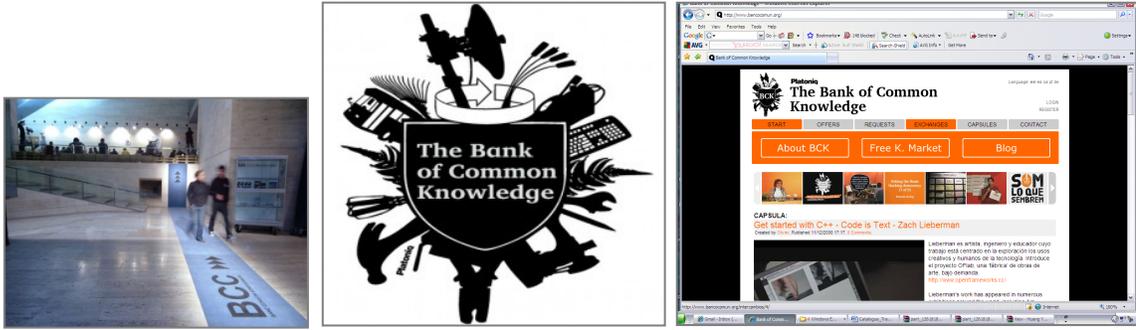
This project is another example of the relatively liberal attitude of the Ars Electronica Festival juries to acknowledge innovative works also beyond the media art-context in a narrow sense. An extract from the jury statement documents this view:

If empowered citizens are the basis of successful e-democracy, and empowered patients might influence the growth of e-medicine, empowered small entrepreneurs are those who can use digital communities as e-business centers that bring global resources to individuals and help maintain cultural traditions, rather than drawing away resources and replacing traditions.³⁷⁸

The *Bank of Common Knowledge*³⁷⁹ is a Spanish based market platform for the exchange of any “common knowledge” in the form of video, text or audio files. Despite its name, it is not exactly a bank in the sense that it receives deposits and gives out loans, profiting from the spread between the two interest rates. Instead, the Bank of Common Knowledge is an open marketplace for anybody to share any kind of knowledge. The initiators are an activist/art group called *Platoniq* see themselves in the tradition of the creative commons movement.

³⁷⁸ http://www.aec.at/en/archives/prix_archive/prixJuryStatement.asp?iProjectID=12809

³⁷⁹ Platoniq, *Bank of Common Knowledge*, <http://www.bancocomun.org/Wiki/queEsBcc/>



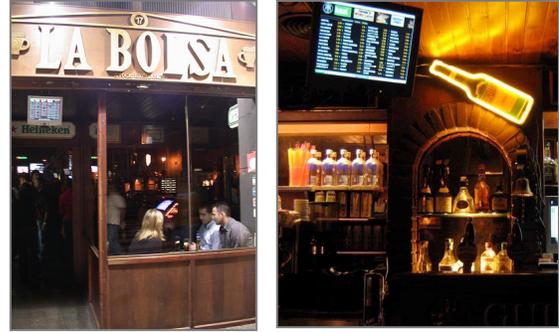
Platoniq Bank of Common Knowledge, 2006

The project encourages the exchange of unusual knowledge and practices, therefore mostly what Bourdieu would call cultural capital and without any values attached. Due to their openness, Bank of Common Knowledge could actually facilitate the conversion of any form of capital into another one – as long as “others benefit” and/or it is useful and/or special. However, this would massively complicate the system and make it a trading platform with a currency, matchmaking and the need for a clearing house.

For these artistic markets the principles of web 2.0 internet economy seem to apply. As the ideal media to match niche demand and niche supply (according Chris Anderson’s Long Tail³⁸⁰ assumption) these markets become niche products themselves, often defying their lack of liquidity. Collages of transactional modules may be meshed-up in this art form; they may be even considered online business models or even value chains of online businesses. The” Google Will Eat It Self” project already displays these features.

An actually functioning real time market running over years have the art group Derivart installed in the centre of Barcelona. Deviant Art founded Bar Bolsa, a pub in which the prices for alcoholic drinks fluctuate according to demand.

³⁸⁰ Anderson, C. (2006). *The Long Tail*, Random House Business Books



Bar La Bolsa, Barcelona, since 1997

With rising amount of orders for a certain brand of beer this brand's price increases and the fluctuating values are displayed in real-time on screens, similar to a stock exchange. The artists label this artwork as finance art on Derivart from derivatives, thereby exploring “the intersection of art, technology and finance”.³⁸¹

Finance as Meta Business - Investing and Online Trading

Finance is considered the “brain of an economy” and as a service sector facilitates the allocation of capital and the mitigation of risks within a society (and/or the global economy). The mechanisms of risk and reward, investing and speculation have interested artists such as Duchamp, as we saw earlier. There are self-referential artworks, reflecting on the market-value of artworks, such as Sabine Gross displays the most valuable artists of the art market in a chart (“Wertsteigerung” *Increased Value*, 2005). However, here we investigate artworks, where the artist himself actively participates or reflects the mechanisms of the financial markets. This field seems to have a lot more potential than currently explored by artists.

Investing is a special economic activity, in a sense a meta-activity as it is the business to facilitate business. The individual activities of millions of investors and speculators on the global capital markets allow allocating resources in the form of capital (here of course economic capital) and mitigating risk, as the speculators bet against those who want to hedge their risks.

³⁸¹ Derivart, <http://www.derivart.info>

An attempt to speculate with some cultural funds was undertaken by American artist Robert Morris in 1969³⁸². He proposed that the Whitney museum provide a small amount of money to invest in what he called blue “chip art” works which he was proposing to sell in Europe at higher prices and thereby profit the museum. This artwork has as subject the tension between the cultural and the economic value of these generally acknowledged artworks.

The museum’s trustees however resisted this idea and considered it as too risky. They made Morris to invest in “risk-free” assets, such as Treasury Bonds, which in the financial world are the benchmark for lowest/no risk. The artwork consists of the correspondence Morris and the trustees and discussed refers to notions of risk. Here the aim to invest is not genuinely part of the artwork, but emerges in the discussion, and the search for a risk free investment, that would be beneficial to the museum. It is not conveyed, what kind of investment was finally made and what the return was.

Relying on his expertise as a non-professional stock trader, artist Michael Goldberg³⁸³ played the stock market for three weeks from a gallery generating charts and other forms of data visualization as output. He had built a form of “strategic interface” to the online market in the form of a tower. Goldberg had raised 50.000 AU\$ from befriended investors, traded without personal risk and closed with a 1000 AU\$ loss³⁸⁴.

³⁸² Katy Siegel, Paul Mattick, *Money*, Thames and Hudson, London, 2004, p 142.

³⁸³ Michael Goldberg, *Intervention Art*, <http://www.michael-goldberg.com>,

³⁸⁴ Michael Goldberg, *catchingafallingknife.com*



Michael Goldberg, Catching a Falling Knife, 2002

Goldberg seems relatively secretive about his expertise, thereby potentially imitating the discreteness of the financial services industries and positioning himself as part of both, the artistic and the financial context. To have an opportunity to witness the value creation through the supposedly secretive know-how of day-trading is potentially the aesthetic gain for the gallery visitors. One may wonder for how long a really successful artist turned trader would actually want to remain in both universes, if material incentives would finally override his artistic activities.

There are several works, which use stock market data for all sorts of visualizations. In "*Parallel Mesmerization of Eleven Blondes and Eleven Brunettes by Two Computers*" Erwin Redl, maps the Dow Jones stock prices onto a group of blond and brunette dolls, which react to the movement of the stock by blinking and other signals during the *Ars Electronica 1996*. Toshio Iwai installs an interactive wall at the Tokyo stock exchange, allowing visitors to draw by gesticulation. Derivart, explicitly collaborating with a finance expert, created a sonification of stock market movements. However, these works do not actually have a transactional component as defined above and allow often only for simple interactions.

Conclusion and Outlook: Characteristics of Transactional Arts

Let's recall: from my early artistic practice, I had concluded that the introduction of the element of money could be a promising idea in order to pursue my artistic interests addressing the quest for ultimate goals and how to achieve them. I then looked at interaction and transactions, and came to the conclusion, that the exchange of value would be an interesting formula and that many artworks include such an aspect. I explored the notions of value and exchange in detail, but felt for the art context additional aspects need to be considered besides the economic value. In Bourdieu's approach to differentiate between various forms of capital I found a promising approach to differentiate between cultural, symbolic and social capital and relate them to economic capital. With analytical instruments I ventured out, to find examples in the art of the 20th century and contemporary (media) art and found surprisingly many which I documented in the previous section. Therefore, trying to introduce the term "transactional arts" as a label for these artworks seems actually justifiable to me.

Having this way selected a set of artworks, one may ask, what else do they have in common. I believe, the core concepts for the class of "transactional arts" are the exchange of value and the conversion of capital, but – they may come along with other phenomena and artistic strategies, which "transactional artists" are likely to apply. So I try to induce from the examples further insights. In the following section I will try to address these topics and characteristics, which of course do not form a list of necessary conditions for transactional arts, but rather are collection of observations.

One methodological comment: trying to introduce a label, is - in the best case - like trying to introduce what creativity researcher Mary Boden calls a "conceptual space".³⁸⁵ As a

³⁸⁵ Boden, Margaret A. (1995) p. 2-3."Creativity and Unpredictability. *Stanford Education and Humanities Review*. 4(2). 1995; pp. 2-3:A generative system defines a certain range of possibilities... These structures are located in a conceptual space whose limits, contours, and pathways can be mapped, explored, and

conceptual space she defines the dimensions as the organizing principles that unify and give structure to a given domain of thinking.³⁸⁶ Creativity is the exploration and transformation of these conceptual spaces. Let's follow her in these assumptions and she then elaborates on various strategies to do so: for example, altering and negating various constraints of an existing conceptual space is a promising strategy³⁸⁷ for various forms of creativity. However, the most advanced form of creativity is what she calls "transformative creativity" which is about introducing new conceptual spaces, by introducing new sets of rules and constraints dominating the space. Of course there is no strict boundary between transformative creativity and other forms of creativity within an existing conceptual space.

Speaking in Boden's terminology I try to explore, if the introduction of the "transactional rule" could innovate the existing conceptual space at the intersection of "art-and business" and interactive art. Many phenomena which I subsume are familiar from other artforms in the 20th century. However, I feel there is perhaps an important new dimension added with the focus on transactions and conversion of capital, even though I may exclude many artworks in the existing domain of this conceptual space³⁸⁸

By trying to state the characteristics of transactional arts these themselves can become in Boden's sense subject to alteration, negation etc. leading to the evolution of the conceptual space of transactional arts. When having the characteristics bundled, we can discover the blanks, the blind spots, new opportunities, which otherwise would not have been so obvious. My own practical explorations and variations of the transactional art space I will then document in the last section of this thesis.

transformed in various ways... probably the crucial difference between Mozart and the rest of us is that his cognitive maps of musical space were very much richer, deeper, and more detailed than ours."

³⁸⁶ Boden, Mary, *What is Creativity*, p. 20

³⁸⁷ Schoenberg, she says, dropped the constraint of tonality, e.g.

³⁸⁸ But these could actually be integrated under an analysis of cultural capital in Bourdieu's sense, since all artworks somehow create cultural capital. This sounds ad hoc inflationist, but perhaps a differentiated application of the concept of cultural capital in relation to transactional arts could reveal some insights. .

Superimposition of Concepts of Value and Conversion of Capital

The core concept of transactional arts, as we have started out to explore this labeling, are the two formulas: “exchange of values” and “conversion of capital”. I differentiated between the coexistence of values and the conversions, since I feel some works actually have this more dynamic aspect to change withing the work the form of capital. The two approaches may be considered complementary depending on the artwork to be discussed.

In many transactional art works various concepts of value coexist and superimpose within the artwork. There is a superimposition of the various notions of value and it is this coexistence and tension between the meanings of value or capital, which often create the complexity and depth of transactional artworks. The wit of many pieces seems to resemble Sigmund Freud³⁸⁹'s construction of humor, where as in a joke an “unexpected literal meaning” is suddenly revealed. Many jokes he claims are informed by a “double meaning” and “a kind of play...with multiple uses of (words)”. We observed this phenomena in works of Duchamp (Monte Carlo Bond), Etoy, Boggs etc. where the cultural value of the art work actually exceeds massively the nominal value stated in it.

The transactions in transactional art have a highly conceptual aspect. As we saw, transactional art works do not depend on successful transactions. The aesthetic success of a transactional artwork seems not to depend on the execution of a transaction. So, even in the cases of e.g. the unreplied auction art offers and illiquid markets – one may argue in favor of transactional art – the aesthetic and conceptual value of these works is not diminished. Like in conceptual art, it is the idea not the execution which is relevant. Yet, I would argue, experiencing transactional art actually has a quality which is different than just imagining it. Perhaps this difference could be more significant in an unimplemented transactional art piece in comparison to an unimplemented concept piece, because of the nature of the existential dimension of transactions, requiring the command over resources. Therefore there I would suspect that there is a higher degree of involvement in a piece of transactional art.

³⁸⁹ Sigmund Freud, *Jokes and their Relation to the Subconscious*, Norton Library, New York, 1960. p36.

In the context of art discourse, the transactional component excludes many artworks in the field of art and economy. Yet, this criterion offers to focus on – what we find- an important quality and view on art. It allows us perhaps to think of an alternatives the dominant approaches in this field which I subsumed under the aspect of “marketing” in the previous chapter. They are mostly reflecting the sign character of economic issues, such as marketing-activities and the visible phenomena of our economic life.

We also saw an increasingly number of works making use of the internet and interactive media in a transactional way in order to transfer values. This is not surprising, since a transactional internet use is actually steeply increasing. E-Commerce, online collaboration, off-shoring, are only a few examples, how business is executed globally with the support of the internet. Outstanding are of course all the financial transactions and the financial markets, which, let’s keep this in mind, are all executed via transactional marketplaces via interactive media (in this context called Information Technology systems). For example, the global foreign exchange market, the currently biggest global transactional system, is operating 24/7 and has a average daily turnover of \$3.98 trillion USD as of April 2007³⁹⁰.

Creative Deal-Making and Strategic Creativity

The most important characteristic of transactional art which I observed in the examples is that the element of deal-making. I would like to claim that transactional art always has an element of a deal. Transactional art may involve various forms of transactions. We saw, there can be various constellations of deal-making in transactional arts. The deals can e.g. involve the artist, potentially enriching himself, the artist crafting deals with others than the audience and the artist making somehow a deal with the audience.

Some others deals are between any knowing/or unknowing market participants, sometimes the transaction is more in focus highly reflected and in others the transaction is just an peripheral aspect of the work. However, in order to have an exchange of value and or conversions of capital, there needs some sort of agreement between the parties involved. If

³⁹⁰ Triennial Central Bank Survey (December 2007), Bank for International Settlements, <http://www.bis.org/publ/rpfx07t.pdf>.

transactional arts is about the exchange of values and the conversion of capital and if both occur – as in many artworks- between entities, such as individuals or organizations, then the question we often have is a case of an agreement between these parties. This agreement may be implicit or explicit; however I choose to look at these as – deals.

A deal is what precedes normally a transaction. It is an expression for all the gives and takes and advantages and disadvantages, which are usually negotiated or just implicitly agreed between parties. In terms of relational art transactional arts is about the creation of relationships between people, and the relationships involve somewhere in the art piece a transaction. Many artists do not make these deals explicit which is perhaps a consequence of the *l'art pour l'art* paradigm in classical aesthetics.

The proposed deals have to appeal to the value systems and rationality of the participants, even if they come from different social contexts. In all of these transactions, I want to argue is an element of self-interest somewhere. Deals are aligned with the overall goals of the involved parties and therefore relate to their motivations and/or rationality. Deals therefore address the rationality of the counterparty. This may be seen as a refreshing alternative to the well explored artistic strategies of the dysfunctional and absurd.

In modern societies when two parties negotiate a deal and reach an agreement, especially if involving larger amounts of capital, the agreements are captured within the legal system in the form of contracts. The core function of contracts is to organize the transfer of values; therefore it is not surprising that transactional artists actually reflect this kind of social agreement. Contracts prepare for the conclusion of the interaction – the transaction. There are artists, who actually make contracts part of their art form. In legal terms most transactional art works rely on weak and oral or even implied contracts.

Let us generalize this finding and ask what the potential of looking at art as a realm for the exploration of creative deal-making is. What could then be the benefits of transactional arts for society? Why does this art form seem to occur today increasingly often? Is this art-form relevant for the redefinition of the relationship between art and society? And what is the potential for society as a whole?

I would like to propose that the core competence the transactional artists can offer is what I want to call for now “creative deal-making”. The artist has, more than anybody else the freedom to explore new forms of deals and social contracts in general. He may aim to reflect new deals, win- win situations. Promising field as a source of inspiration could be negotiation theories and social contract theories. He could inform himself from a literature of negotiations and overcoming the traps of traditional negotiation and deal-making.

Searching for so called win-win situations has been discussed in negotiation theories extensively and is still currently active field of research. Strategic management, merger and acquisition and political decision making, behavioral finance etc. are only a few domains, from which one could inform oneself as an artist. Since deals are captured in the form of contracts, the philosophical questions around the huge field of law could actually be a source of inspiration. In his experimental realm, theoretically there could be potential to reactivate and perhaps even fulfill the avantgardistic promise of the artists as the innovator of societal forms. At least this would be the most optimistic outcome I can imagine for transactional art. But to do so, artists would have to be equipped with the adequate know how. I will come back to this aspect in a moment.

On a technological basis the implications may be more overlookable. For example, for my own artistic works, I will propose a system (o-d-o) which I think may support creative deal-making. Generally speaking I think there is potential for research to ask, how media can help to find solutions serving any negotiating parties. How can we use the creativity which we artists are supposedly in command of to improve the deals and relationships which are established in society?

Related to the idea of creative deal-making is what I would like to call “strategic creativity”. In order to craft new deals, we need to envision overall goals and also systems of deal-making. If we want to contribute to the debates of social contracts as artists, we have to operate on the big picture and the overall goals of society. I would like to claim, that the creativity of society leaders and that of artists has more in common, than we may think. This of course could be subject to further interdisciplinary research involving organizational studies, psychology, creativity theories, strategic management and artistic practice.

Often transactional artists provide a meta-platform for others to post their offers and demands or even design incentive-structures. In this sense, transactional art leads to meta-art works enabling creations by others (and other artists). As we saw, the meta-art can be any kind of facilitating the creativity or art creation by others or just allow for transactions via a market platform. This is different than the artist himself creating new deals. If new media art is the design of possibility spaces, then these kinds of transactional systems are possibility spaces of a higher order since they facilitate creative deal-making and are not creative deals proposed by the artists themselves. Artists and innovators working with interactive media have been creating and designing systems structuring data. Transactional artists may design systems structuring data and these data may actually be deals.

With the exposure to transactional arts and related ideas, we train our skills to detect opportunities to converse values, to make creatively deals, which have never done before and envision new goals and strategies how to reach them. Art becomes opportunity detection. These skill sets may be valuable for various domains of society. To claim a simple transfer between the domains of art towards society, however would be naïve and neglect the elaborate discussions of the relationship between the two domains in general and for the field of “art and business” in particular. I come to the element of interdisciplinarity of transactional arts in a moment.

The idea that transactional artist may contribute to society through their skill of creative deal-making and strategic creativity will accompany us through the discussion of the next characteristics. These two findings are the underlying and potentially most important findings, which I can see in the field of transactional arts for now.

Disinterestedness and the Autonomy of Art

Perhaps one of the most provocative aspects of transactional arts is that they seem to violate two of the fundamental principles of western aesthetic: the requirements that in the aesthetic context self-interests are not affecting the aesthetic judgment and the idea, that art should be independent form other fields, especially from the economic sphere, and therefore be autonomous.

Historically the notion of disinterestedness was a characteristic required for the aesthetic judgement of the audience as introduced by Earl of Shaftesbury. Situated in the moral context he distinguishes the contemplation on beautiful things from the desire to possess them and points out a fundamental conflict between the two. Selfish and practical desires are therefore incompatible with the appreciation of art. This approach is a following a motivational approach interested and selfish motives are thought to undercut appreciation. Kant then requires any aesthetic judgment to be “disinterested.” and art should also not serve any external means; it is considered a means in itself. Therefore an art form which allows generating profits and is based on all sorts of incentives seems to contradict the postulates of this aesthetic tradition.

As we saw, many interactive artworks and certainly transactional arts involve aspects of intentionality, desire and will. Even the concept of interactivity in itself may be considered to be intrinsically based on some sort of intentionality. However this strict postulate of disinterestedness and the autonomy of art as demanded by Kant, Schopenhauer and others has been weakened over time within the aesthetic discourse. Nietzsche mocks strongly the disinterestedness as the “philosopher’s prudishness”. Pragmatists, such as Dewey rejected Kant’s approach and state that “artworks serve a variety of functions, such as entertainment, edification, religious inspiration, decoration, personal and social expression”.

Of course there is a plausible intuition behind the notion of disinterestedness as a prerequisite for aesthetic judgments. Dickie offers a fruitful analogy from the legal context: a judge can be disinterested and interested at the same time. “A juror might be very interested in the case being tried, that is attentive to and concerned about it and at the

same time be disinterested concerning the case, that is, impartial about the case and have no selfish motive connected to the case.”^{391,392,393}.

Now, exchanging values and self-interest are not exactly the same. Since we assume that transactional art involves some sort of rational deal-making somewhere therefore always an element of some self-interested activities. This assumption already violates the requirement of classic aesthetics of disinterestedness. One may argue, there could be a form of exchange of value, which is not linked to selfish motives. However, in transactional art, we do observe artworks, where the artists make a profit, even though he may later not use it for his personal economic benefit. But there are also artworks, where exactly this happens.

As we saw, this deal has not necessarily take place between the audience and the artwork/artist. The requirement of the aesthetic judgment only asks for a disinterestedness of the judge, meaning the recipient. So in this case, I believe there is always the potential of an aesthetic value which the recipient may experience and enjoy. Therefore even transactional art does not – theoretically - have to violate the prerequisites of being judged as “beautiful” in Kant’s sense. Similarly to conceptual art, the beauty of transactional art tends to lie in the inspirational value than in its’ implementation. For all other cases, the

³⁹¹George Dickie, *Aesthetics - An Introduction*, Pegasus, Division of the Bobbs-Merrill Company, Inc., New York, 1971. P. 33.

³⁹² So called attitude theories have extended the scope of disinterestedness to a kind of special kind of perception – *disinterested perception*, that constitutes the aesthetic experience. Dickie shows, that this argumentation has its weaknesses and that the various forms of disinterestedness are actually hard to define. It is not easy to prove in which cases attention can actually be disinterested. Of course, the *motives* for attention may differ, but perhaps there is only one kind of – cognitively speaking- attention, Dickie argues.

³⁹³George Dickie, *Aesthetics - An Introduction*, Pegasus, Division of the Bobbs-Merrill Company, Inc., We observed, that often, artists do not take a possible profit and give deliberately away financial gains. This may be part of the aesthetic heritage to 18th century aesthetics and the requirement of the disinterestedness of the aesthetic judgment.

New York, 1971. P. 33.

disinterestedness aspect is not required, and working with incentives within the artwork, is actually not a problem, for the criteria of classical aesthetics. This leads us to the next feature, incentives.

Incentives and Rationality

Transactional arts are arts with incentives. The artistic material is the social sphere as we saw transactions are the very basic social interactions in any society. Working with incentives now allows artists, to influence the behavior of the audience (or others) and thereby influence the transgression of the possibility spaces.

Again this can occur between audience and artist, if it is a transaction involving these two parties. But it may also occur between the subcontractors, or any other involved party. Manipulating and influencing the choices an individual makes becomes much easier, if we can offer something, which is “in it” for living beings. Transactional arts explores thereby a *conditio humana* of living beings, as they have to somehow manage and optimize in one way or the other the resources for living. This may be independent from the assumptions on the degree of rationality of the the behaviors. Crafting a deal is designing with incentives.

As we said earlier the artists are in charge of offering and designing possibility spaces. Enriching non-linear media with an element of incentive, which can take the form of any capital, as we saw, give s the artist a new and powerful device in the hand. Designing possibility spaces with incentives lets us create an analogy to another important sphere of society: that of policy making: like governments they may use incentives to influence the behavior of others.

The question what motivates people best, what influences behavior etc. and choice, is a huge field of research, for example pursued in political science, economics and psychology and management, marketing and many other (business) disciplines. General consensus in most economic disciplines is today, that the simple assumption of the relational agent seems outdated and that not all choices are determined it. For example in finance is a new emerging field of behavioural finance studying exactly these psychological effects. One

could make relations to various other disciplines, for example the tradition of rhetorics in aesthetics and or policy making and political sciences³⁹⁴.

Assuming the strong classical notion of the rationality of an agent, all these singular interactions may be *aligned* – and we borrow deliberately an expression from strategic management here - according to the overall goals and the strategies and tactics to achieve them. But even under weaker premises, deals are embedded into the existential stream of performing act during life. They are intertwined with some sort of pursuit of happiness, or any implicit or explicit form of intentionality of the strategizing entity. So even if we cannot clarify for now, if there is rationality as an underlying assumption for behavior and dealing with incentives, we can actually focus on the intersubjective agreements between people.

One comment for a technological opportunity which I spot in this context: looking at media works in particular form this angle highlights the fact of how much our current use of media support micromanagement, meaning an overemphasis of details and singular actions (like doing a phone call, writing an sms etc.). Most of our interactive systems today allow us to do single actions and interactions, but rarely provide us and support the big picture and the larger contexts of our lifes. I would like to make a point, that thinking more in strategic terms towards media would allow us to overcome this slightly myopic approach to interactions. As shown in my own artwork, I would like to call this approach something like strategic media, where strategic activities, such as definition of goals, collection of information, planning, decision making, implementation, feedback (see in order to extract a set of “strategic activities” we refer to Ingmar Brunken³⁹⁵). Part of research on strategic media could be what I call *epic media*, aiming at supporting an overall and long-term view on life spans and support them with interactive media.

³⁹⁴ Just to mention one interesting approach from the arena of policy making is the book by Sunstein³⁹⁴ on nudging the masses into their “best behavior” a widely discussed approach.

³⁹⁵ Ingmar P Brunken, *Die Sechs Meister der Strategie (The Six Masters of Strategy)*, Econ Verlag, Berlin, 2005

Aspectuality, Self-Empowerment and Legality

Since transactional arts are arts with incentives they involve somehow actual resources. We hereby mean, that the negotiation power, the resources people actually command become a factor for any artist, participant or recipient of transactional art. The social positioning of agents involved plays an important role in transactional art. Their actual negotiation power becomes a constituent of the artwork. Let us call this phenomenon for now “aspectuality”, meaning the relative positioning of the involved agents becomes an important factor.

A lot of transactional art works are working on overcoming this aspectuality. Artists reflect and overcome their own negotiation power in various ways, often with an audacious gesture of self-empowerment. The artist often creatively circumvents the limitations of his actual social position and lack of economic capital by claiming the possession or creation of fictitious values. The artists’ implicitly or explicitly touch hereby on social climbing, the ambitions of the ever striving entrepreneur and par-venue and the artistic strategies may resemble attempts of fraud and con-artiststery but also innovating and entrepreneurship. All sorts of only apparent or actually real value creation may occur.

A wonderful example for overcoming the aspectuality is Marcel Duchamp who dares to issue a bond, a financial instrument, which normally only large institutions or the government are entitled to issue. This kind of audacious gesture of an individual/the artist, questioning and overcoming the actual laws of the social space he is living in. By creating these kinds of deals someone (usually the artist) empowers himself and claims to operate in a possibility space which is extending, or even in opposition or at least violating to the legal system.

In other words the artwork becomes and illegal act and sometimes transactional art works even get sued for violating the existing rules of a society to, when for example constructing utopian and or illegal deals and/or offers. In most cases, though, the legal systems seem to ignore the illegal transgressions. The artworks are probably conceived as singular events not threatening the status quo, even if they have not only fictitious character, despite the actual fact of fraud. Interesting enough there are a few cases, where transactional arts have

been exposed to the legal actions of a country, for example GEWI and Eoy's toywar for example.

With transactional arts we are, if we like it or not, drawn to our own existential dimensions: Possibility spaces may become painfully limited by the resources over which we command, thereby the limitations of our own lives. This existential dimension of transactional art could remind us of concepts like Heidegger's "Geworfenheit/Thrownness"³⁹⁶ and the melancholia. Here lies perhaps the potential for the something like the sublime in transactional arts. The individual is drawn back into the insight of his own limited existence, beyond the infinity of possibility spaces. The melancholia as a symptom of the lower classes, musing about the limits to overcome their social positioning.³⁹⁷³⁹⁸.

I believe aspectuality offers interesting opportunities for artistic practices. Since people can only in a limited way escape their social positioning, artists can target them and exclude them due to this fact. Like in marketing, they may target audiences deliberately (as target groups) and make this part a part of the artwork³⁹⁹. Of course this has been done, but with the lens of transactional arts, one may rethink these artistic strategies.

For example, exclusivity can become a whole subject of art, the inclusion and exclusion and the desires, which exclusion is able to rise. I could imagine a whole branch of transactional art works around "exclusivity design", which could pick up on the idea of Veblen goods, luxurious goods, whose demand would actually decrease, if their price would decrease. This relationship is violating the usually assumed demand and supply dependencies, where lowering prices lead to higher demand. This individualized targeting is a marketing strategy, which is easily supported by the nature of interactive media and

³⁹⁶ Heidegger, Martin, *Being and Time*, trans. by John Macquarrie and Edward Robinson (London: SCM Press, 1962); re-translated by Joan Stambaugh (Albany: State University of New York Press, 1996)

³⁹⁷ See also Bourdieu, *La Distinction*

³⁹⁸ see also Nicloas Sombart's "Sociological Novel" "Pariser Lehrjahre" ("Apprenticeship in Paris")³⁹⁸

³⁹⁹ See also Alinity Holding project in the practical part

the variability which they provide. Interactive media can cater to the aspectuality more than any media and e-commerce strategies are aggressively exploring this field.

Non-Fictitiousness and Interdisciplinarity

What I call here the aspectuality of transactional arts is a result of its entrenchment in real life and the -non fictitious nature. It is a common place, that art in the 20th centry has reached out to all domains of life and has overcome the boundaries of the various arenas. Of course claiming ficticious things for real and melting the border between what is real, what is art, what is working and what is the context – these are all well established artistic strategies.

About the the relationship between artistic fiction and life writes Jean-Marie Schaeffer.

“...l'importance des arts dans la vie des hommes depuis que les hommes existent, c'est justement le fait qu'il n'y a pas d'un côté la vie que nous menons et de l'autre les pratiques artistiques. Il existe un lien indissoluble entre les deux et ce lien tient notamment au fait que les pratiques artistiques tirent profit de ressources mentales qui, par ailleurs, ont aussi des fonctions non artistiques. Si on ne comprend pas cela, on ne comprend pas l'art ni la vie, on ne comprend pas pourquoi l'homme s'intéresse à l'art et pourquoi il a produit des arts.”⁴⁰⁰

What he calls non-artistic functions become art themselves in transactional arts. Or one may say transactional arts tries to conquer domains of economic value creation, which are usually not considered art.

Peter Hills asks in his PhD⁴⁰¹ where he coins the term “superfictions” what happens if the illusion slips out of the frame and enters the other domains. He researches artistic practices

⁴⁰⁰ Shaeffer, Jean Marie, Pour-quoi la Fiction?, Edition Du Seuil, 1999, see also Alexandre Prstojevi, Entretien avec Jean-Marie Schaeffe <http://www.vox-poetica.org/entretiens/schaeffer.htm>

⁴⁰¹ Exegesis, SuperFictions, <http://www.superfictions.com/phd/SuperFictionPhD.pdf> (which year)

bridging into “other domains” such as “business”⁴⁰² “media manipulation”⁴⁰³, “veracity and propadanda”⁴⁰⁴, “narratology and new technologies.”⁴⁰⁵ This leads us to the next aspect of transactional art – the element of interdisciplinarity. These artists actually contribute not only in art, but in the the field of innovation.

The nature of transactional arts seems to be genuinely interdisciplinary. Artists have to “prove” their understanding of the other domain in the sense, that they are able to craft sensible deals. They bridge in Bourriauds sense the arenas. This art-form inherits some of the success criteria (even though reflected and therefore ultimately circumventing them) of the “other “discipline, here business”⁴⁰⁶. So operating at the intersection of these two domains raises the question of the activities of the different roles involved. There has been a lot of discussion, that the artist may be compared to the entrepreneur.

The idea, that the artist becomes an entrepreneur has been widely entertained in the recent discussion in art and business. In terms of finding ways of value creations, artists actually seem to adapt and implement similar strategies than entrepreneurs. The parallelism between the entrepreneur and the artist i.e. the idea of the avant-garde seems quiet intuitive.

Both, artist and entrepreneur are primarily risk takers, they venture out for new models of creation and questioning the status quo⁴⁰⁷. Both tend to bet their own security on this venture, often both are not driven by the outside world, yet the entrepreneur of course is

⁴⁰² (Res Ingold, Banco di Oklahoma),

⁴⁰³ (The Leeds, Damp, Stephen Hurrel)

⁴⁰⁴ (Ilya Kabakoff, Cantet Cardiff),

⁴⁰⁵ (Alexa Wright, Stephen Hurrel).

⁴⁰⁶ An impressive example though not from the field of transactional arts, but from sculptures are Theo Jansen’s Beach Beasts, which qualify as engineering masterpieces as well as outstanding kinetic sculptures in the art context.

⁴⁰⁷ Daniela Plewe, *Marketing for Entrepreneurs and Artists* – Contribution to the Course Material for the School for Advanced Education, .Basel, 2005

more inclined to serve a market and the demand, whereas artists are supposedly – at least if operating within the paradigm of *l’art pour l’art* not openly taking the valuation of critiques, gatekeepers, collectors etc. and art consumer into account. An artist may also be inclined to think in metaphors have an aesthetic motivation, what ever this exactly means, to his doings. Entrepreneurs⁴⁰⁸ tend to be driven by the idea to make profit, and do lack the level of aesthetisation of their doings. However, from an abstract perspective it is an interesting analogy. They both are not living within the constraints of an employee; do not suffer from the alienation of work and the division of work and life. This may be the most important criteria, even if in detail motivations, actions and view on the world may differ very drastically.

In his book, *Le artiste en travailleur*, Pierre Michel Menger⁴⁰⁹ points out, that both live in highly volatile environments, both have to quickly adopt to new opportunities and collaborate in whatever constellation the opportunities for new value chains require. The artist becomes a model for the surviving strategies in capitalism. . Often transactionl art operates in both domains and therefore qualifies as what Stephen Wrigth calls a “double strategy” or “double ontological status” of the artistic enterprise.⁴¹⁰ Stephane Sauzedde asks, if and if so, what kind of artistic critique the artistic entrepreneur is actually capable of. Are artist entrepreneurs truly subversive, he asks? I would like to reply: “Do they have to”? What do we mean by critique, what do we mean by subversive? And isn’t the established arsenal of subversive artistic strategies somehow explored and could be enriched by for example some (even economic) value-creating approaches?

The entrepreneur is only one protagonist in the field of business. Inspired by our view on strategic creativity, I would like to suggest for future research the investigation of the analogy between artist and other protagonists of contemporary capitalism, since e.g. investors, company founders, senior management roles and anybody operating on the

⁴⁰⁸ Faltin, *Entrepreneurship*

⁴⁰⁹ Pierre Michel Menger, *Portrait de l’artiste en travailleur, la republicue des idees seul*, 2002

⁴¹⁰ Stephen Wrigt, In: Yann Toma....*Companies...*

highest strategic levels could be also fruitful subjects. I personally would start with the role of organisations like venture capital, business angels and investment-banks specializing mergers and acquisitions they operate on the highest levels of capital allocation.

Let's recall that transactional art practices should not be confused with artists applying economic principles to their art-production or art-marketing. There are artists who manage to be highly admired for their optimization of the art-production, e.g. Andy Warhol, Jeff Koons, and Damien Hirst who apply the division of labor to the art production. However, if we consider these activities as production-innovations they do not seem to be transferred to other industries on a large scale. It rather seems that artists benefitted from the economic know-how and applied it for their own benefit.

The interdisciplinarity of transactional arts may be viewed as a kind of operational decontextualisation and "détournement", in which existing value creating practices are situated in the aesthetic realm. And, as we saw, they can also be situated, nearly invisible outside of the aesthetic domain.

Innovation is considered a form of value creation. So how does transactional art and innovation relate to each other? We have seen many examples of art-works, which apply economic principles. And thereby generate value. So there seems enough inspiration for art in the domain of business. But what about the other direction, do artists inspire business practices? Shouldn't truly interdisciplinary work be also measured by the standards and expectations of the other domains? So can transactional arts actually make a contribution to the field of business?

If art is considered the realm of society for experiments and innovations, do transactional art works actually inform the other discipline, here business and economics in a constructive way according to *their* success criteria? We argue: they actually *could*. As previously mentioned, I believe that artistic and business creativity have a lot more in common, than it is usually assumed. Both involve strategizing, i.e. the envisioning of goals to be pursued and the location and creation of new opportunities, in other word strategic creativity.

But the moment an artist turns into a successful entrepreneur and has apparently the business know-how, he perhaps would disappear from the perception of the art world. Depending on this social background, he may find it appealing to be capable to afford a lifestyle he may have never been able to access before. He may be tempted to pursue happiness solely in the economic domain⁴¹¹. On the other side, there are economically independent individuals who turn towards practicing art may do so in deliberate negligence of business knowhow and define their challenges in the realms of cultural achievements.

Artistic strategies of value-creation via innovation have recently been discussed under the label “cultural hacking”, where artists actually contribute to the other domains and- as I would say, meet somehow the criteria of this other domain⁴¹². Cultural hackers as Duello and Liebl following de Certeau’s in his” *L’Invention du Quotidien* ⁴¹³ . understand them, are artists penetrating into new arenas, adopting strategies from these domains and actually implement them. They may operate as designers, managers activists and scientists. Their strategic approaches include placebo-products, brand communication, terroristic appropriations, “coolness competence”, deconceptual coding, “hystery based market segmentations” to name a few. Artists include Chicks and Speed, Dunne & Rabi, Human Beans and others. Yann Toma’s work *Ouest Lumiere* was subsumed as the variation of cultural hacking, so-called “leadership hacking” as Franz Liebl writes in the *Kunstforum* 2010. This is a very promising approach, which actually addresses the strategic creativity element.

So where are some art-inspired business models in the economic domain? Why haven’t we heard of them? Are artists not good business people and actually incapable of generating true innovations in this field? Perhaps yes, because most artist may not truly be familiar with economic and business principles. Maybe because many artists are actually dilettants and do not have the in depth understanding of the conceptual space of economics, in order to

⁴¹¹ This happened a lot during the dot.com bubble.

⁴¹² T. Duello, Liebl, F, *Cultural Hacking*, - *Kunst des Strategischen Handelns*, 2004.

⁴¹³ Michel de Certeau, *L’Invention du Quotidien*. Vol. 1, *Arts de Faire*, Paris 1980

come up with rule-changing and significant creativity. As Mary Boden has pointed out, in order to be able to make a creative contribution or even rule-changing transformative creations, one has to have a solid understanding of the domain, and there is not something like universally creative skills, which can be applied domain independently. If this is correct, it would imply that transactional artists have to acquire economic knowledge in depth. This should not be anything new to artists today and also not to media artists, which as we have seen over the last 40-50 years have embraced other disciplines, such as technology, robotics, biotech, nanotech etc. Under transactional arts we could subsume in future those attempts, which have bothered to digest economic principles in an artistic way. A specially promising is the domain of finance, and I will make this point in a moment. But since art works are finally evaluated by aesthetic standards, the ultimate measure for transactional art is still the aesthetic value they create. Let us first continue, with the question, how and if so, this kind of art can be viewed as art.

Deals as Art

So in which sense can transactional arts be art? As already discussed, I tried to locate them somewhere in the traditions of conceptual art, somehow as a kind of relational art, creating new relations between parties and bridging interstices and as a kind of innovative cultural hacking, since the innovations do actually qualify in the arenas outside of the art context only. I would like to offer an additional argument, which starts with the format of the deal. I would like to try to look at deals as experiences and then as forms narrations.

Can the deal making in transactional arts be viewed as experiences in the sense of Dewey aesthetics? If transactions are ubiquitous experiences of every day life, how can they become subject of art works and escape their daily life triviality? John Dewey claims that things are experienced, but not in such a way, that they are compounded into *an* experience.”⁴¹⁴ One may add: *normally*, when they are not experienced with an aesthetic attitude, though Dewey does not use this expression. For him, any event only qualifies as *an* experience if something experienced runs its “course of fulfillment”, i.e. does come to

⁴¹⁴ John Dewey, *Art as Experience*, Putnam Publishing Group, Original 1934, reprinted by publisher, p.35ff.

some sort of completion. And Works of art are important examples of *an* experience. Transactions are relatively finite activities, some parties exchange some sort of value and if both sides have received the values, the transaction is considered to be completed. So they seem to qualify easily for this condition. But what is the significance of an artwork as an experience? How can transactional artworks be an experience?⁴¹⁵, ⁴¹⁶

In transactional arts, transactions by nature finite interactions may become the subject of the art work itself, either by involving the audience in it, or making the audience observe one in one or the other form. In many cases the transactional artwork are voyeuristic and conceptual: the audience often become witnesses of transactions. They can often be perceived without transacting and then resemble conceptual art, with a pure delight of imagining a deal. Like watching a hero undergoing the dramaturgic challenges in a classical narration or drama, it may be a pleasure – or at least of interest to the audience - to watch a deal happening.

Art as experiences, perhaps even experiences *about* experiences, may be viewed as experiences of a second order, allowing the observation of experiences under risk-free conditions. This reminds us of a different context: in narrations one can experience strategies of life in a risk-free setting. Deals seal and conclude the experience of a process between the agents. Witnessing deals in the form of transactional artworks, allows the audience the risk free participation in the practices of deal making. Similarly to a narration, the audience does not have to invest and risk what the protagonists do. In some transactional art works, they do, in others the audience is just witnessing the parties in their deal-making This characteristic perhaps explains the dominance of the form of narration

⁴¹⁵ “In an artwork, different acts, episodes, occurrences melt and fuse into unity, and yet do not disappear and lose their own character as they do so – just as in a genial conversation there is a continuous interchange and blending, and yet each speaker not only retains his own character but manifests it more clearly than is his wont.” In: John Dewey, *Art as Experience*, Putnam Publishing Group, Original 1934, reprinted by publisher, p.35ff.

⁴¹⁶ Ibid, p. 36

as one of the most persistent and popular form of “knowledge representation” throughout cultural history.

Following this assumption, I would like to propose to view contracts as a form of condensed narration. As the finalization of a deal-making process and highly dense format, they may be viewed as a even form of - poetry. Any deal-making process is a kind of negotiation between parties, pursuing somehow their goals, and intentions, strategies tactics, no matter how explicit or implicitly known to the party. All transactions are somehow embedded in an agent’s pursuit of happiness, one may argue. They are ubiquitous interaction in daily life between humans, if not a *conditio humana* . .

In the context of the previously mentioned approach to strategic epic media, contracts may be viewed as interesting forms of a kind of knowledge condensation, in order to compress negotiations between parties.

Knowledge of Power

We came across many transactional artworks, which radically critique capitalism. Even though applying their mechanisms, and e.g. financing methods, they are deeply rooted in an anticapitalistic rhetoric, if not to say a kind of dogmatism derived from the 1968 student movement. Unfortunately this dogmatic discourse has also dominated the new media art scene of the last 20 -30 years. I am here not defending any political position – all I want to state is that the discourse in the media arts lacks heterogeneity of political views and seems endangered to be dogmatic.

Can artistic critique, questioning and proposing change the world? The good news is: apparently yes. Boltanski and Chiappello describe in their book the “Nouvel Esprit du Capitalism”, how something that they call artistic critique has influenced and changed the management style. The values of the so called artistic critique have over 20-30 years altered capitalism, they argue. They explain the change in management approaches to this intellectual critique.

The values of the artistic critique are anti oppression (market domination, factory discipline), the massification of society, standardization and pervasive commoditization.

“It vindicates an ideal of liberation and/or of individual autonomy, singularity and authenticity”⁴¹⁷. Together with what they call the social critique, these thoughts have contributed to change the way people, as employees have to live their lives. Now, hierarchies are less steep, project groups are assembled for the needs, overall flexibility allows corporations, but also individuals to adjust to the accelerated (and Virillio would argue, that the media and technologies play an important role in this acceleration) world we live in. This study is considering only French management literature, but seems generalisable.⁴¹⁸

Do they provide a proof for a strict causal dependency? No. but it seems plausible and an encouraging message for artists. Do they refer to artworks, when they talk about artistic critique? Not explicitly. Therefore the artistic element in the artistic critique may be overrated. But, we subscribe to the argument that the values conveyed with many artworks from these years and previously are isomorphic with the changes that seem to have taken place. The critique has become part of the mainstream.

What kind of contribution can transactional arts make? Capitalism incorporates solutions. Questions may lead to solutions, but questioning alone may lead to a skeptic version of paralysis. To field of art and business, and perhaps transactional art can perhaps make a contribution to open up this crusted discourse and ask new and more constructive questions – and try to give answers. Given for granted, that every answer is to be revised, I still believe, artists should have the courage to give answers instead of asking only questions in a gesture of overcautious skepticism, refined bourgeois display of modesty.

This honorable and refined intellectuality may not have a voice in the roaring/bluster of the power shifts of this century. What can western artists contribute to this new geostrategic landscape? Emerging countries will probably dominate the global negotiations and dictate

⁴¹⁷ Luc Boltanski, Eve Chiapello, *The New Spirit of Capitalism* (paper) Conference of Europeanists, March, 14-16, 2002, Chiago, p 16.

⁴¹⁸ The authors emphasize that the oppression is less visible and may not share the conclusion, that the liberated style of management should be considered an improvement.

the conditions of the future century, and the values they pursue will with a very high probability not resemble the values of the 1968 only remotely.

For that matter we will have to acquire knowhow of these domains, we will have to work interdisciplinary with these fields (like we did it with science and technology) not as dilettantes. Therefore I understand transactional art as a critique of critical art and especially critical art criticizing capitalism. In these difficult times concentrating on the *creation* of value seems to me most relevant. Instead of a mere and often dogmatic critique transactional arts challenges to construct values, to create deals, which create value for all involved parties. It is economic experimentation, if one likes. But, outside of the institutions who usually are in charge. (in this sense “institutional critique”) It is time, to take risks again and have the courage to make proposals and take the risks to fail.

In this enterprise the field of finance may play a special role. Perhaps the most relevant “knowledge of power” in capitalism is finance. Finance plays a crucial role in any economic order. As a kind of “meta-business” often referred to as the “head of the economy” it is a business about business, perhaps similarly to philosophy as the knowledge about knowledge. The role of the financial system in a society is to allocate capital and to mitigate risks- the two core prerequisites of any advanced economic system. Stock exchanges are today markets about markets, themselves meta-institutions, as they allow the trading of complex derivatives and so called structured products. They are markets about markets.

The current financial crisis shows that artists, similarly to the society as a whole apparently missed out to detect the activities of an elite, which operated in the last 30 years without much notice or control by the public. It is just an example, where a highly strategically creative “avant-garde” –the financial elite with their financial innovations - became an invisible elite and managed to accumulate massive economic capital and other forms of influence.

Not many artists have reflected this body of knowledge which allowed these elites to operate. However, it is just a suggestion for the practice of artists, to try to watch out and conquer the elite domains of society and their discourses, even if in secrecy. For example,

in hindsight, it would have been avant-gardistic if art had embraced, understood and then modified the techniques of so called “financial engineering” including the structuring of financial products under the label of “risk-management” etc.

Even if from the near future onwards the privileged status of finance will probably be limited by regulations etc. its central position in any economy will remain. Therefore, it could be a rich source of inspiration for artists. For example, what are the mechanisms of risk management and can art learn something from the ideas of risk management in finance in order to hedge creative risks? Under the label of risk-management wonder-machines were built, allegedly able to overcome bad outcomes of destinies via social contracts. Creativity is a high-risk business, so what can we artists therefore learn from professional risk managers? Or do we not manage risks and will creativity decline, if we would apply these techniques?

One may keep in mind, that the financial instruments are actually contracts, deals between those who can bear the risks and those who can't. So called Over-the-Counter OTC derivatives are just another form of creative deal-making. Developing them was a genial case of strategic creativity. Why shouldn't artists work with the same materials? And-perhaps naively, but why for the sake of completeness: can artists contribute to the progress of even financial systems?

Ideally, we would like to think of transactional arts as a platform to experimentally explore current issues of our societies and new forms of social contracts. With the exposure to transactional arts and related ideas, we train our skills for creative deal-making, which are potentially relevant to all domains of society and may even - at best -contribute to the evolution of our economic systems in general and the financial system in particular. This is an highly audacious question where a positive answer is probably far beyond reach. In the following section I will outline some of my artistic projects and research inspired by these findings.

PART IV: EXPERIMENTATION

Transactional Artistic Practice

In this part I will present some work in progress of my own transactional artistic practice. These works are inspired by the previous theoretical thoughts and the concepts and were developed in parallel. I will start with a generic platform called O-d-o,com which facilitates all sorts of mediated transactions including the processes of negotiation and contracting. O-d-o may be considered more a tool than an artwork in itself. But due to its generic character it may express any mediated transaction and therefore could – if implemented- also facilitate any of the following transactional arts projects.

The then following projects are mostly various internet and e-commerce companies in the sense of transactional arts. Most of them focus on the field of financial products and services for the reasons given earlier. They are structured under a holding with the name Alinity-Group. Under this group various entities are subsumed, which appear to be and/or actually are some sort of value-creating business model. The projects may be viewed as individual artwork and will be launched as such.

The various business models target totally different audiences, and therefore on a meta-level they may be considered an aspectual artwork, which is only visible, if the recipient is actually socially so mobile, that he enters the various contexts. Some of these contexts will be addressing the art and academic context in which this thesis is presented. Some, may leave this context behind and become invisible artworks addressing a target group, not even knowing to be exposed by art.

Most of the art-works are based on the ideas of financial instruments, such as options and futures, but also insurance contracts. These concepts, especially the derivatives, are then applied to very different contexts⁴¹⁹. These works are highly conceptual in nature and are currently work in progress and I will document here their current state of development.

⁴¹⁹ ⁴¹⁹ Similarly to so called real options, where the underlying is not a stock of a company, but something else.

O-d-o.com – Generic Platform for Deal Making and Transactional Arts

The following project O-d-o.com is a generic platform for any kind of negotiation leading to some sort of deal. Independently which economic system one thinks of, there are always various parties which need to negotiate and agree on some sort of exchange. In political terms, even in a highly repressive system this may be not the case, but as Machiavelli⁴²⁰ states, any stable political and economic order will require agreements and some sort of consent from the subordinates. Even social contracts in the political sense are nothing but agreements between parties, though of course not really explicitly negotiated.

The following project was inspired by financial instruments, as those are actually a kind of sophisticated contracts. But, since it is so generic, it may serve as a platform for any internet-based negotiation and transaction. And thereby- it can of course also express transactional art. O-d-o is therefore a software, which –theoretically- could facilitate any transactional artwork, or in other words, any transactional art-work could be “rationally reconstructed” (according to Stegmüller⁴²¹) with the o-d-o.com framework.

Is this framework itself art? It is a tool in the first place. But it can facilitate – at least in theory- transactional arts if fed with artistic content and facilitating artistic negotiations and contracts. The complexity of this project as a stand-alone internet software would probably require the foundation of a start-up company and the collaboration with law institutions. This seems to be outside the time scope for this thesis however the project was registered under a provisional patent in California in 2009. It has caught the interest of the Harvard Law Lab, Berkman Centre for Internet and Society⁴²² and the MIT Centre for

⁴²⁰ Machiavelli, *The Prince*

⁴²¹ Stegmüller

⁴²² Berkman Centre

Future Banking⁴²³, both in Cambridge, USA and led to some cooperation^{424 425} with both institutions. O-d-o.com is currently implemented as a front-end demonstration and the company is registered as a sole proprietorship with the Accounting and Corporate Regulatory Authority (ACRA) Singapore.

Source of Inspiration: Financial Derivatives and the Nearly Impossible Exchange

The source of inspiration for O-d-o.com were financial derivative instruments, like futures and options etc. So called futures contracts were invented, to mitigate the risk of a farmer who e.g. could lock in the price in spring and deliver e.g. grain after the harvest. The farmer could sell their corn in advance to a certain price and if the market-price for grain in autumn would be lower, they still had covered their costs. However, if the market price would be higher then, they missed out the additional profit – but had hedged their risk. The potential upside gain, is exactly the motivation for the counterparty who signs this contract: the “speculator” who bets, that prices will gain and he therefore makes a profit. These contracts are called “derivatives” as they are derived from something else, here the price of the corn, which is the “underlying”.) Futures were used first in Chicago and were standardized around 1865, being tradable on the Chicago Board of Trade. From then onwards, futures contracts still have basically the same form.

The idea is that individuals can transfer risks, which could be potentially catastrophic for them, to someone else, who has more resources to handle the consequences (usually a form of loss). Of course, they have to pay a kind of fee, in order to get this contract, which is the value of the contract as a buyer or seller. An important group of derivatives are options – which offer the right to sell or buy an underlying, but do not state an obligation like futures. So called swaps allow two parties to exchange the benefits of one party’s financial

⁴²³ MIT Centre for Future Banking

⁴²⁴ Co Chairing a MIT Conference on ..

⁴²⁵ Project with Harvard...

instrument for those of the other party's instrument. Often the two counterparties agree to exchange streams of cash flows.

This whole field of derivative trading has been developed to an enormous industry in the 20th century, especially the second half starting in the 1980ties. This highly creative and innovative phase in the field of "financial engineering" culminated in a 20-30 year lasting economic bubble, which finally busted in the latest financial crisis of 2008.

Derivatives may be considered as "wonder-machines" or "dream-machines" due to their perhaps utopian promise providing a way to – if not exactly overcome - soften the burdens of destiny. As we saw, death – for Baudrillard – is as an irreducible moment and therefore the "impossible exchange". However, social contracts in the form of insurances and other forms of what is called "hedging" in the financial world can be considered as attempts to reduce the pains and hardships, which life can bring. With financial instruments like options, futures and forwards the hardships of life can be battled in a collective effort – postulated in contracts.

This is of massive value to anybody. And - this may be the explanation, why the discipline of "risk-management" is still one of the most lucrative services in the current financial industry. Truly being able to "manage risks" is a promise, which is rewarded with the biggest profit margins within our economy and the highest compensations for employees. These kinds of contracts may not allow overcoming death, therefore Baudrillard still is right – death remains the irreducible fundamental of the idea of exchange. And of course also transactional arts and the deals involved, will not overcome (Baudrillard's premise of) death.

However, constructing creative and innovative contracts seems a very interesting idea, to overcome hardships of any kind and collaborate. This is one reason, why in the practical part, we introduce the generic platform O-d-o for deal-making of any sort. This platform especially could be used, to explore new forms of contracts to hedge risks. This may be considered a democratization of the instruments of risk-management, but need not be such. In any case, it could contribute to the evolution of derivatives and future financial innovations.

Negotiating, Contracting and Transacting

As the essence of any deal-making we consider negotiating, contracting and transacting. O-d-o is a concept for an online market place with a visual interface facilitating any kind of deal-making in the internet. Through the interface users can negotiate, conclude contracts and execute transactions online. Internet users can specify goals and projects to be achieved or post specific bids and offers. O-d-o will propose matching counterparties via a user-based tagging system. Through the visual negotiation platform the two parties can then start to negotiate. If an agreement is reached, it is captured as a visual contract.

We explore possibilities to facilitate the detection of win-win situations for the counter parties. According to findings in the field of interest based negotiation agents may increase the quality of agreements by exchanging information about their underlying goals; e.g. thereby alternative ways to attain those goals may be discovered.

The enforceability of the contracts follows current cyber-law practices. In the context of social networking sites and B-to-B market-platforms the counterparty risk can also be reduced through the visibility of deal-making histories for each party (trust building mechanisms⁴²⁶, like the Ebay feedback system).

The innovative combination of functionalities and the visual interface support all steps from interaction to transaction within *one* system. The commercial potential lies in supporting the various business communities emerging around the subjects they negotiate. We outline applications ranging from finance to the arts.



⁴²⁶ Clippinger, John

The name O-d-o is derived from the medieval Germanic name and prefix “odo” for the “possessor of wealth and fortune”. The spelling reflects the two parties connected by a d standing for “deal”.

Visual Marketplace Supporting Matchmaking of Niche Demand and Niche Supply

As a visual market place O-d-o allows users to negotiate on any subject and design contracts according to their needs. Hereby the platform enables the match-making of niche demand and niche supply, which, according to Chris Anderson’s “long tail⁴²⁷” assumption on the current internet economy, represents the majority of internet business opportunities. For the cultural production this may be considered as the liberation of independent and experimental art forms from the “mainstream” popular culture, which used to dominate due to distribution channels the cultural landscapes. Through the long tail economy much more cultural heterogeneity is theoretically possible. On the O-d-o platform any community can establish its own market, create standardized contracts and develop specific measures for their enforcement.

Intuitive Medium for Negotiation and Creative Deal-Making

Media-visionaries like Vannevar Bush, Douglas Engelbart and Ted Nelson⁴²⁸ conceptualized intuitive systems and interfaces in order to support various cognitive activities without disrupting the flow of ideas. With O-d-o we aim to provide an intuitive medium for negotiations and contracting. We consider negotiations as a kind of collaborative problem solving and want to facilitate what we call “creative” deal-making, i.e. the detection of new opportunities for either one or both of the involved parties.

Therefore all parameters of a negotiation can freely be edited and extended at any time. The interfaces are customizable to the negotiation styles. Since all interactions can be

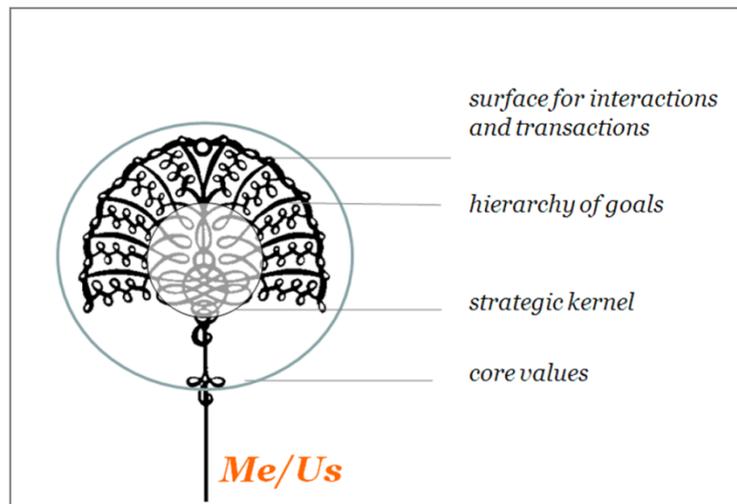
⁴²⁷ C. Anderson, *The Long Tail*, Random House Business Books, 2006

⁴²⁸ T. H. Nelson, Complex Information Processing: A File Structure for the Complex, the Changing, and the Indeterminate, in: *Proceedings of the 20th ACM National Conference*, p. 84-100, Cleveland OH, 1965.

related to a representation of long term goals, the system not only supports detailed and analytical decision -making processes, but also spontaneous ones.

Representation of Goal Hierarchies

Users may represent themselves via a hierarchy of personal values and preferences⁴²⁹. If wanted, they may break down higher level goals into lower level tasks and to-do lists⁴³⁰ via a simple tool allowing specifying hierarchical dependencies. Similarly to the Balanced Scorecard⁴³¹ approach in the field of strategic management⁴³² this form of representation enables the alignment of any activity towards higher level goals. However, this form of representation is not prerequisite for the use of the system, but facilitates the feature of interest based negotiation as discussed below.



⁴²⁹ Similarly to Carey Young's management consulting installations, this module may also be used by the artists as part of a performance serving the pre-negotiation phase and clarifying the agent's goals.

⁴³⁰ Ackerman, Fran, Eden, Colin, Brown, Ian. *The Practice of Making Strategy*, Sage Publications, 2005

⁴³¹ R.S. Kaplan, D. P. Norton, *The Balanced Scorecard – Translating Strategy into Action*, Harvard Business Press, 1996. Explanation of Balanced Scorecard, see also Appendix.

⁴³² R.S. Kaplan, D. P. Norton, *Strategy Maps – Converting Intangible Assets into Tangible Outcomes*, Harvard Business Press, 2005

Match-Making

In order to propose counterparty for a potential deal, the system relies on a user-based tagging system indexing the goals/tasks and non-negotiable conditions of the participating parties.

Market-participants with similar goals may learn about each other and explore opportunities for collaboration and synergies. Participants with complimentary goods/services may also be connected via the system and can initiate their deal-making activities. The negotiation interface is scalable to the complexity of needs for individuals and organizations alike.

Negotiating, Contracting and Transacting

Any kind of negotiation between two users can be started through the interface. The leading metaphor is a marketplace with the two parties positions on lower (own party) and upper end (counterparty) of the screen.

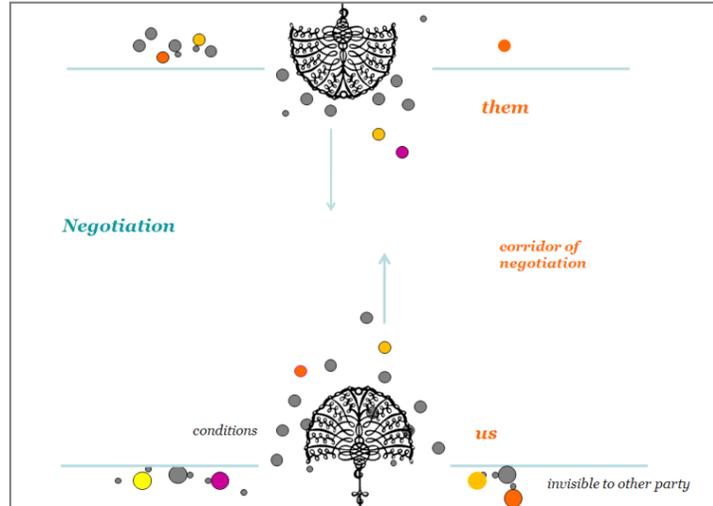
Users can enter all the relevant parameters for a negotiation such as negotiable, un-negotiable, hidden and visible conditions, target prices, “best alternatives to negotiated agreement” (BATNA) and other concepts from negotiation theory. These entries are directly entered into the graphical user interface.

We follow the Harvard approach to negotiation as introduced by Roger Fisher, William Ury and Bruce Patton⁴³³ and integrate concepts from the Wharton School led by Richard Shell⁴³⁴. To cater to the Asian style of negotiation we will make adjustments following Peter Nixon’s writings on “Business in Asia”⁴³⁵.

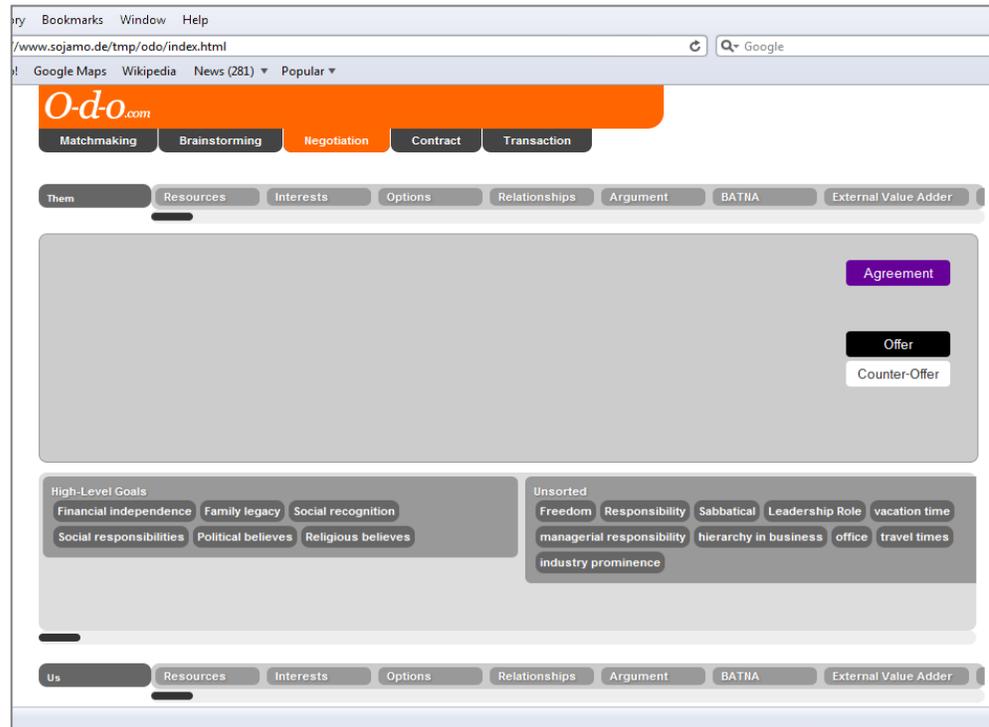
⁴³³ R. Fisher, W. Ury, B.Patton. *Getting to yes: Negotiating Agreement Without Giving In*, Penguin Books, New York, 1981, 1991.

⁴³⁴ G. R..Shell. *Bargaining for Advantage*, Penguin Books, New York, 1999.

⁴³⁵ P. Nixon. *Mastering Business in Asia – Negotiation*, Wiley and Sons, Asia, 2005



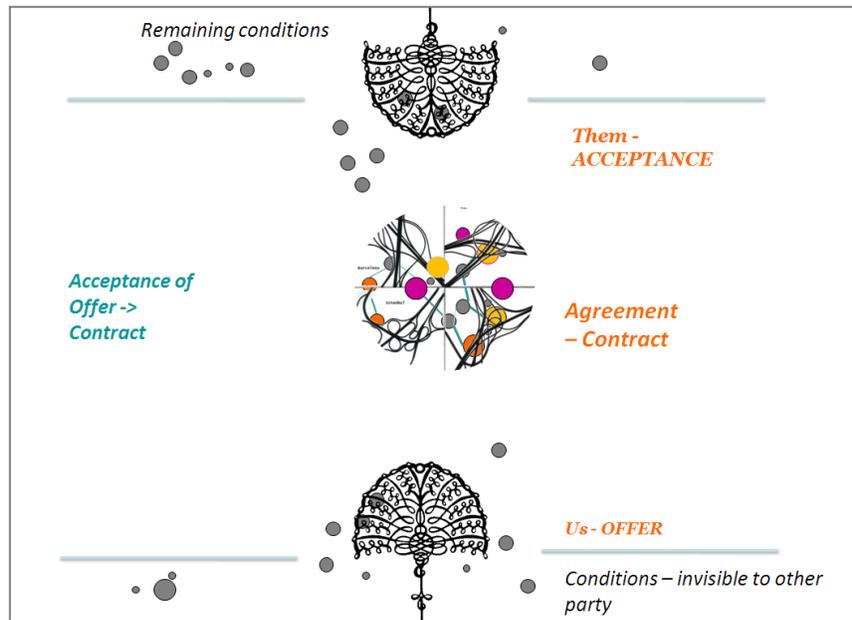
Drag and drop interface for the asynchrone negotiation between two parties.



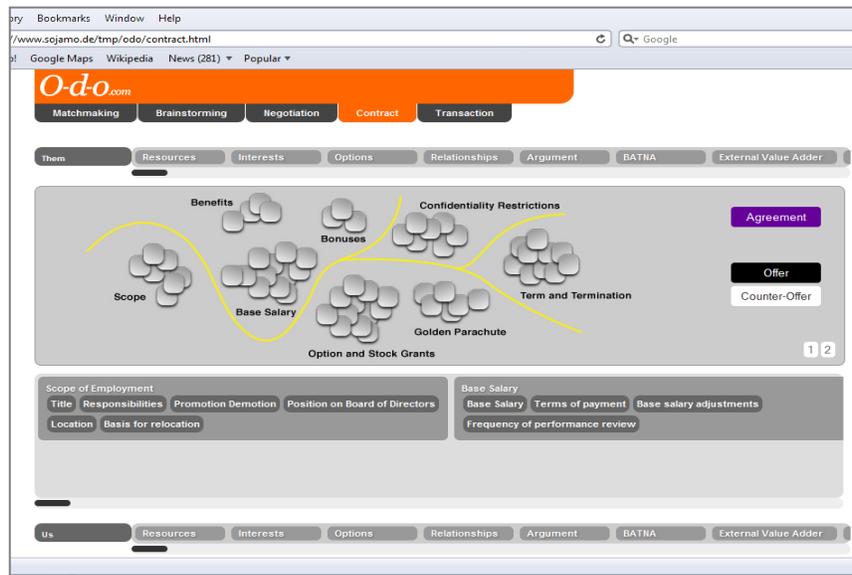
Front-end implementation with preference layer, marketplace and offer and counter-offer buttons, 2009

After a negotiation phase and in case of an agreement the users may finalize the result in a visual contract. Every visual element of a contract refers to a section of a conventional

contract, such as a paragraph. Since in various contexts contracts tend to be standardized the visualization of contracts as patterns can easily help to highlight the differing variables.



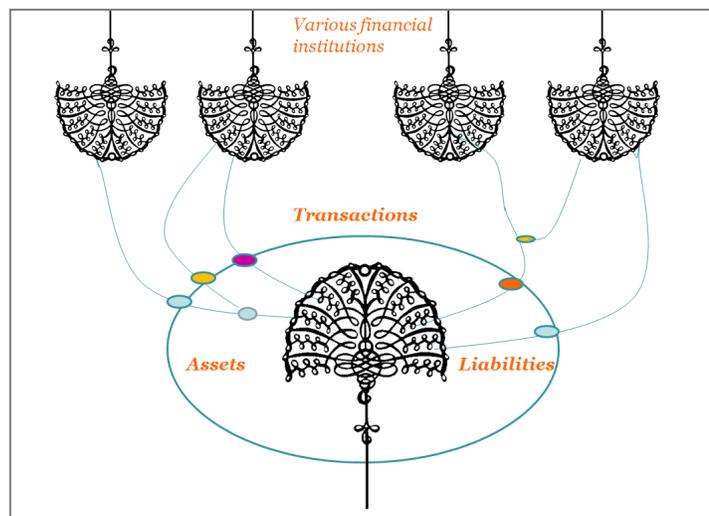
If an agreement is reached it is captured as a visual contract.



Front-end implementation with visualized contract and preference layer, marketplace and offer and counter-offer buttons, 2009

Finally users may execute transactions through the platform. Here we will rely on existing transactional internet services such as PayPal. The freelancer portal Elance relies on its system “Escrow”⁴³⁶ which guarantees the timely clearing of transactions and reduces counterparty risk since funds have to be deposited in advance and are released according to the milestones reached. This kind of clearing functionality is desirable for O-d-o as well.

The legal enforcement of the contracts relies on the complex current practices of cyber law, which requires basically defining all preliminaries of an international contract upfront. In relation to social networking sites and other online market-places, such as Facebook, LinkedIn, Ebay, Search-a-Coder etc. social pressure and visibility reduce the risk of defaulting. For a commercial application in the field of finance the services of a clearing house could be integrated.



Visualization of transactions between various parties.

Creative Deal-Making: Interest Based Negotiation and Win-Win Situations

O-d-o.com could be used to be facilitate forms of creative deal-making. Research in the field of Interest Based Negotiation has shown that the display of goals can optimize the

⁴³⁶ www.elance.com with “escrow” payment and management system

results of negotiations in certain situations. For example the bargaining and reframing protocol introduced by Philippe Pasquier et al.⁴³⁷ recommends the communication about underlying interests, if the first round of negotiation has not lead to an agreement. This is the case when an agent cannot make “any more concessions (whether because he reached his last preferred acceptable proposal or because he does not have enough money), he repeats his last proposal”, which – may not be accepted by the counter-party.

O-d-o allows parties to represent and communicate (if wanted only partially) their goal hierarchies during a negotiation. This option is completely customizable according to the strategic preferences of the user: the spectrum of transparency may range from zero visibility to negation-specific disclosure of tasks to total visibility of a cluster of goals.

By communicating higher level goals various opportunities for win-win situations may be discovered: e.g. if parties realize that they actually do not exactly compete for the same resources⁴³⁸ or that they may have complementary interests in other contexts than the currently negotiated one. O-d-o may serve as a research platform to empirically investigate these kinds of win-win situations and the related strategies of agents.

Applications: Ideagoras, Online Value Chains, Outsourcing, Financial Instruments, and Transactional Arts

In terms of revenue and return of investment, O-d-o.com's can be assigned a fee structure for every transaction executed on the platform. It may also allow for more complex

⁴³⁷ Philippe Pasquier, Ramon Hollands, Frank Dignum, Iyad Rahwan, Liz Sonenberg. *An Empirical Study of Interest-based Negotiation*. Proceedings of the Ninth International Conference on Electronic Commerce (ICEC), Minneapolis, USA, ACM International Conference Proceeding Series; Vol. 258, pages 339-348, August 2007, ACM Best Paper Award 2008.

⁴³⁸ For example: two parties are fighting over an orange which is then split in half due to a negotiation. It turns out, one party wanted to bake a cake with the peel and the other wanted to squeeze it for juice. Therefore there was not a real conflict of interest and by revealing the intentions of the parties the overall outcome could have been optimized.

licenses, which facilitate for example the contract drafting and the communication with their clients via the platform.

All of the following applications facilitate what we have elaborated under the idea of strategic creativity. The possibility to post relatively abstract goals positions O-d-o in vicinity to so-called “ideagoras”⁴³⁹, such as innocive.com. On these “market places for ideas” corporations or individuals can (anonymously or open) post R&D goals. In case of a successful problem-solution the intellectual property rights and compensation have to be negotiated and transacted. On O-d-o rather abstract goal specifications can be broken down into sub-goals and tasks by any external online collaborator who may also propose alternative methods for achieving them.

Through the O-d-o platform complete “value chains”⁴⁴⁰ consisting of a team of independent contractors can assemble themselves along the task hierarchies⁴⁴¹. New forms of online funding, investment⁴⁴² and risk management for these value chains could be explored to facilitate the necessary flexibility. Derivatives can be issued by the participants of a valid value chain in order to mitigate the risk of online collaboration. This kind of feature is useful for many outsourcing and online customization contexts in service related industries.

⁴³⁹ Tapscott, Don, *Wikinomics, How Mass Collaboration Changes Everything*, Penguin Group, New York, 2006

⁴⁴⁰ Porter, Michael *Competitive Advantage: Creating and Sustaining Superior Performance*, Free Press, 1985

⁴⁴¹ Inspired by Functional Analysis Systems Technique Diagrams, see Jerry Kaufman, Roy Woodhead, *Function Analysis System Technique (FAST)- Stimulating Innovation in Products and Services* John Wiley, New Jersey, 2006.

⁴⁴² Similar to peer-to-peer financing platforms such as zopa.com and creative production platforms such as sellaband.com, where unknown music bands raise capital from their fans in order to record their first professional album. In case the band turns out to be successful, these “believers” are rewarded with privileges and a share of the revenues.

Another field of application is the field of finance and the design of financial instruments, such as derivatives. Derivatives such as options, futures and forwards are actually contracts which are traded on (mostly electronic) markets in order to mitigate risks and/or speculate. So called over-the-counter (OTC) derivatives can be standardized or negotiated between individual parties. Through the O-d-o platforms even new financial products could be developed, modified and offered.

A niche application called o-d-o-art.com or options-on-art.com could be the art-market: art-collectors commission art-works through the platform. They may post a creative brief globally to be executed by artists bidding online. This service may be combined with a more exclusive auction mechanism allowing collectors to bid for the right to commission high profiled artists and trade these “options” before the maturity date (when the option expires). As in any option, there is a certain risk involved: here: will the artist really cooperate, will he perhaps reject the current option holder and/or is the artist not in the disposition to execute the artwork. Is he really willing to commit, to collaborate etc.? However, the owner of the option has the right to communicate with the artist and to buy the art work. In this application O-d-o allows an interesting interaction between strategic or conceptual creativity and the artistic execution, a differentiation first introduced by conceptual artists⁴⁴³.

A more experimental application of O-d-o is in the context of so called transactional arts. We defined transactional arts, as art where some sort of value is exchanged and this feature is essential to the work. As we have shown, also many media artworks actually have transactional features and rely on some sort of deal-making. Often they take the form of online –businesses. This kind of artwork may easily be implemented via O-d-o. For example, we develop an artistic application providing experiences around financial topics such as the “beauty of risk-management”, “happy hedging” and “fulfillment through options”.

⁴⁴³ Kosuth, Joseph, *Unpublished Notes 1970*, in: *Art in Theory 1900 - 2000: An Anthology of Changing Ideas*, Wiley-Blackwell; 2002.

Implementation

The implementation of O-d-o is based on client- and server-side software solutions. The client-side, an application run in a web browser, will be realized in Java Script enabling the strong focus on the GUI. PHP as a server scripting language will be used to implement the server-based database handling and content related interactions with the client-side. MySQL is used for the database implementation. The asynchrone communication between client and server relies on the web development technique AJAX (asynchronous JavaScript and XML).⁴⁴⁴

Alinity-Group - Aspectual Artwork

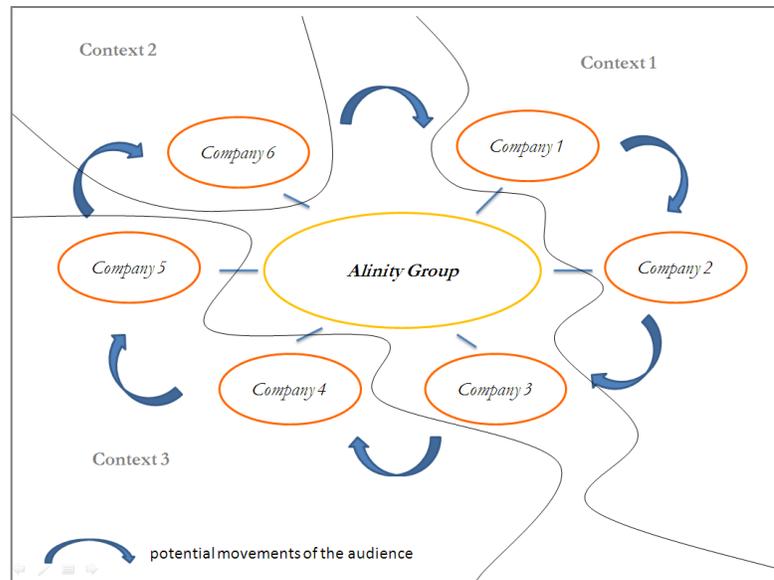
Following the transactional art practice to mimic the organizational structures of companies, we will create a set of companies under the name of a holding called “*Alinity Group*” (alinitygroup.com) and explore various transactional strategies. Under this name various companies/organizations will be formed which target different demographic milieus around various cultures, societies, age groups etc. For example, one may envision employees of the financial services industries and the art scene on the other hand. The challenge is to take into account the various value systems of the target groups thereby reflecting practices of internet marketing in a globalized internet economy.

In order to perceive the overall artwork would have to travel through various social contexts, not only within one society and cultural context but potentially across cultures and social strata. Therefore work encourages social mobility of the audience (see diagram below) and requires its audience to become so-called boundary spanners. Boundary

⁴⁴⁴ The project is developed in collaboration with Andreas Schlegel who is responsible for the programming of the prototype and the development of the front end. We are very grateful to Horacio Falcao (Insead Business School, Singapore) and Nuno Delicado (Pluris Pte Ltd) for their input on the Harvard negotiation approach and thank Philippe Pasquier from Simon Frazer University, Vancouver for sharing his views on Interest Based Negotiation. We also want to cordially thank the Harvard Law Lab at the Berkman Centre for Internet and Society for providing legal advice and the Centre for Future Banking at the MIT Media Lab.

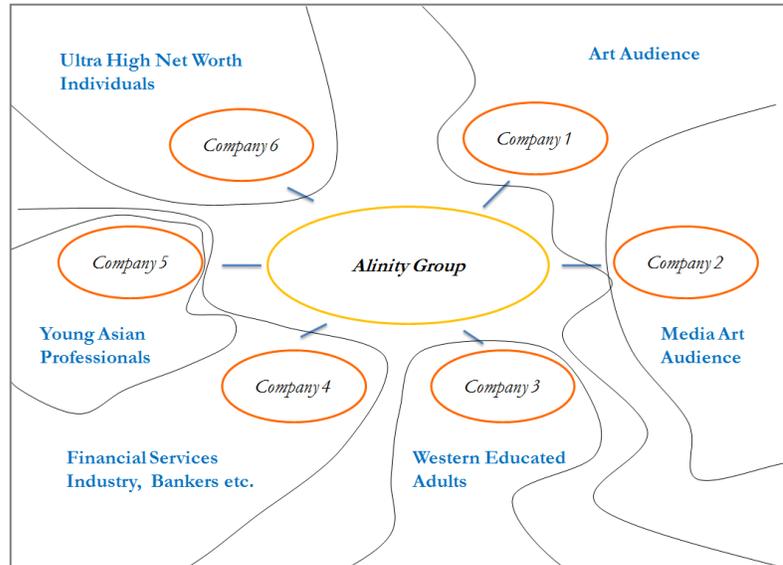
spanners are individuals, which according to social network analysis theory⁴⁴⁵ are members of various rather disparate networks. Their social contacts tend to not know each other, as opposed to most people, who's overall contacts tend to overlap.

In a potential exhibition the audience would have access to the privileged view into the holding's strategic "centre of power" thereby addressing the secretive nature of strategy.



Reception of the overall artwork requires the audience to move through various social contexts.

⁴⁴⁵ Hargadon, Andrew, *How Breakthroughs Happen: The Surprising Truth About How Companies Innovate*, Harvard Business School Press, 2003



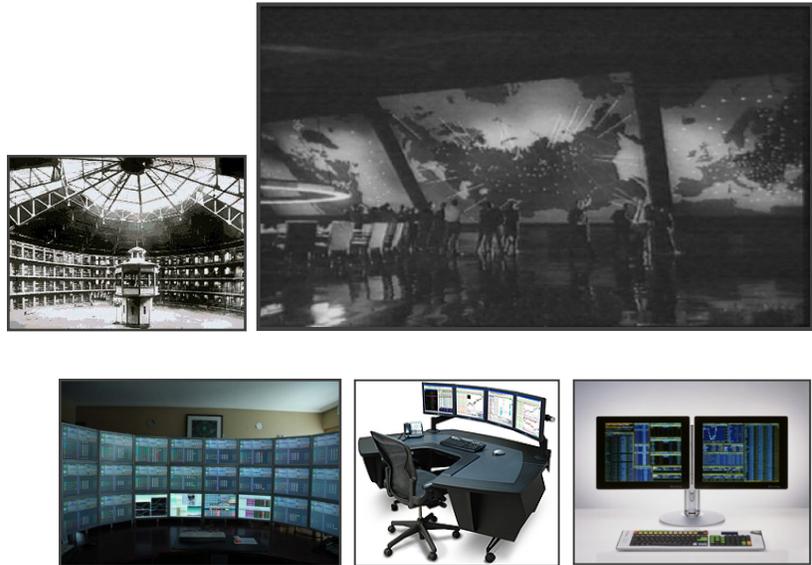
Examples of potential social contexts of Alinity Group

The *Alinity Group* can be presented in an exhibition in the form of a strategic centre, which overlooks all the activities of the various global companies. Each organization instantiates strategic intentions, which and this is the nature of strategy is not fully visible to the outside. Strategic management is the secret of every organization. The nature of strategy is to be secret and not visible to the outside. So the overall art piece can only be perceived if the audience is socially mobile and leaves its social background in order to explore another one. E.g. a banker may join the art context and an artist may have to have an interest in banking in order to perceive the various companies.



Logo for the Alinity Group

In that sense Alinity Group will present the centre of power and the sphere's of influence of this artwork, making an association to Jeremy Bentham's famous approach to the "panoptical" prison design as famously discussed by Foucault as a metaphor for disciplinary societies in "Discipline and Punish"⁴⁴⁶. Alinity reflects a globalized economy with globalized, diversified corporations. The various contexts involved could for an exhibition be conveyed in real-time via webcams.

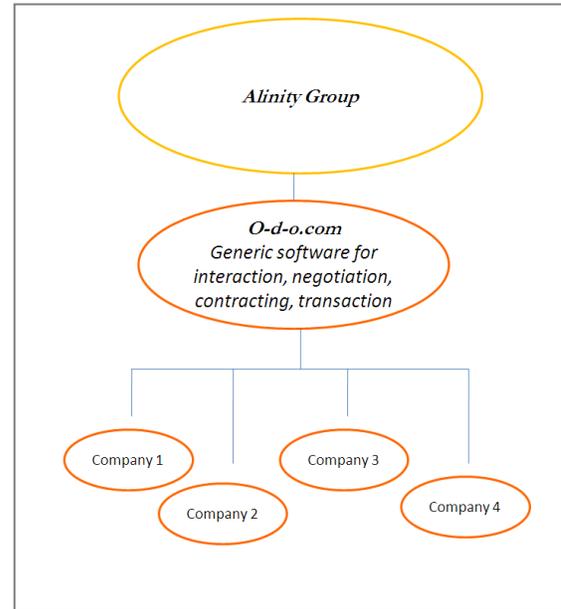


Presentation of Alinity Group will be inspired by war-rooms and other strategic centers of power displaying the spheres of influences. Above: Foucault's panoptical prison, the board room from the movie "Dr. Strangelove", various stock trading screens and a Bloomberg trading desk.

The companies under the Alinity holding are e-commerce websites with individual corporate identities, i.e. layout, logo and brands. Alinity Group will most probably be incorporated in Labuan, a Malaysian off-shore tax heaven. All domains are registered and logos and websites are constructed. O-d-o.com is one of the artistic companies formed under Alinity (or the soon to be founded *Alinity-Ventures*, the venture capital and angel

⁴⁴⁶ Foucault, Michel (1975). *Discipline and Punish: the Birth of the Prison*, New York: Random House., Foucault, Michel (1975). *Surveiller et punir : Naissance de la prison*, Paris : Gallimard.

investment arm of the holding) and provides basis in the form of the technical core and interface for most of the other artistic companies.



O-d-o.com provides the generic e-commerce module for Alinity group's online businesses.

Alinity companies are run by an experimental management style, which is quality based and adheres to an “elastic time management” meaning the provocative avoidance of commitments to deadlines. Aim to deliver *quality in the time it takes*. We work with elastic time-frames and give flexibility based on trust to the self-management skills of the collaborators. This approach can only be successful, if all collaborators are carefully selected highly intrinsically motivated individuals.

We believe time pressure reduces the quality of the outcome and is often not justified. The idea of the need for synchronization of the various contributors of a in a value chain is a dominating principle in our currently optimized production environments, but it does affect the quality of life for most of the participants. Somehow the factor time seems to be overrated in the current economic understanding of efficiency. It may be worth an attempt to aim for alternative management methods catering to other concepts of optimization. Of

course fast delivery of any service or product is always better than delays, therefore we rely on highly motivated people and believe, they may deliver even measured by traditional measures better, than if pressured by deadlines. The Alinity management preferably cooperates with and sells to individuals and organizations at ease with these principles. (Please insert)These parties tend to be dedicated to long-term value creation rather than fast profits.

We do not cooperate with collaborators, who do not understand this mindset of what we may call “life quality capital”. We do not adhere to “professionalism” for its own sake which in many cases is an unquestioned acceptance stressful working procedures. Work may happen anywhere – and not in traditional offices. Glamour substitutes tristesse. Purism is the attitude, if glamour cannot be afforded at that moment in time: according to the so-called Bobo⁴⁴⁷ mentality, where omitting a purchase is preferred over the acquisition of mediocre products or services.

The management does not appreciate certain forms of conservatism and risk aversion and petty mindsets. Collaborations can be cancelled quickly, but execute the separations with second chances and options for re-collaborations. Finalizations of collaborations are tried to be not stigmatized. Besides the necessities to sometimes make hard decisions, there is a certain tolerance for mistakes coming with risk-taking. The logical operator “and” is preferred over the “or”.

Due to this culture the Alinity Management seems to perform suboptimal in terms of economic capital. But, we would argue, scores high in the overall combination of life-quality. This approach may not be generalisable to large organizations, but seems an attempt worth pursuing for niche products and niche organizations. Aim is a productive lifestyle, questioning the philosophically imprecise division between “work “and “life”. Isn’t it all our life time? Alinity Management style will have to relate to existing management innovations such as “life-work balance” initiatives. This management experiment may be considered a form of the artistic implementation of and artistic critique

⁴⁴⁷ Brooks, David *Bobos in Paradise: The New Upper Class And How They Got There*, 2000

devoted to the highly individualized values of the artistic mind set, as Boltanski and Chiapello⁴⁴⁸ referred to.

Victor-Novus-Capital – Banking with Multiple Dimensional Capital

Victor Capital is a bank and financial services provider specialized of banking with various forms of capital. These forms of capital are inspired by Bourdieu’s cultural, social, symbolic forms of capital, as previously discussed. They may be subsumed as “multi dimensional capital” to indicate a currency, which takes all these forms, and perhaps also others into account. The guiding question for this project is: how could our life look like, if we had this form of capital and could do with it, all the things we do with our current financial capital. How would saving look like? Isn’t saving an accumulation of possibilities – how would it look, if we could explicitly save and converse capital and institutions would support the idea? How would the idea of “investing” change?

This currency is meant to be an addition to the existing financial dimension, which can be enriched by the other dimensions. And the various dimensions can also always be collapsed to the economic as it is done today anyways. Transacting parties could also apply to the extend the existing currencies and introduce their own dimension. For example they may add something like “political capital” to trade with.

The display of these forms of capital may look like a multidimensional profile (in the form of a star diagram) with certain zones. Idea is to inspire creative deal-making, yet having the elegance of a purely quantitative currency, besides adding more or less qualitative dimensions. This could be an option, as in information age, more information could actually be attached to a price of a product or service, than it was possible before the electronic information age.

This project, due to its theoretical approach as a thought experiment would require much more in depth research, which is beyond the scope for now. Discussions around alternative

⁴⁴⁸ Boltanski and Chiapello

economies have included barter and other qualitative systems, with moderate success. As an art-piece the ambition here is much more experimental and playful.

How could our familiar banking enriched by the proposed dimensions look like? What if we would try to focus instead of the negative case, the “risk” and therefore risk-management on “opportunity management”? How would banking look like, if the financial services could explicitly support the conversions of capital? All this leaves room for future artworks to be pursued.



Early Sketches for the logo of Victor-Novus-Capital and subsidiaries

The name is derived from the latin name for the victorious and novus, for new and innovative. Together this artificial brand name reflects the ideal of repeatedly newly achieved successes - which of course implicitly poses the questions of the various dimensions of success.



Current logo for Victor Novus Capital

All subdivisions under the name Victor Novus Capital operate for the time being traditionally on the basic of economic capital. In a second step they could be developed to explicitly have the conversion of capital more in focus.

Private Banking, Wealth Management and Boutique Investment Firm

One of the core activities of Victor Capital is Private Banking, also called Wealth Management addressing particularly wealthy individuals. As any boutique investment firm, it offers various investment services and products. The Wealth Management division is targeting economic elites such as so called High to the Very High and Ultra High Net Worth Individuals (HNW < \$1 -5 million are subject to “wealth management”, VHNW < \$ 5-50 million and UHNW < 50 million are subject to “private banking”⁴⁴⁹). and claims to offer services for them.

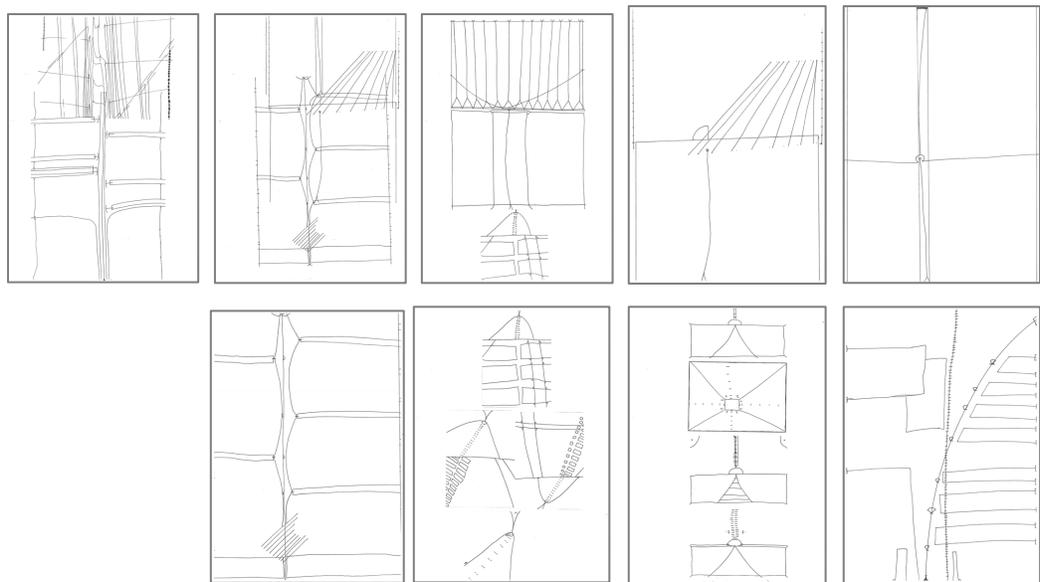
As in any highly exclusive service provider most services of Victor Novus are highly aspectual, as defined previously and may not be perceived outside of the target group. E.g. various events (as a form of social capital) are organized which are part of the exclusive network of the participants. In this context value is created through exclusivity where the logics of “Veblen goods⁴⁵⁰” apply: for this group of commodities peoples' preference for buying them decreases if the price decreases, whereas for normal goods, falling prices increase the willingness to buy. .

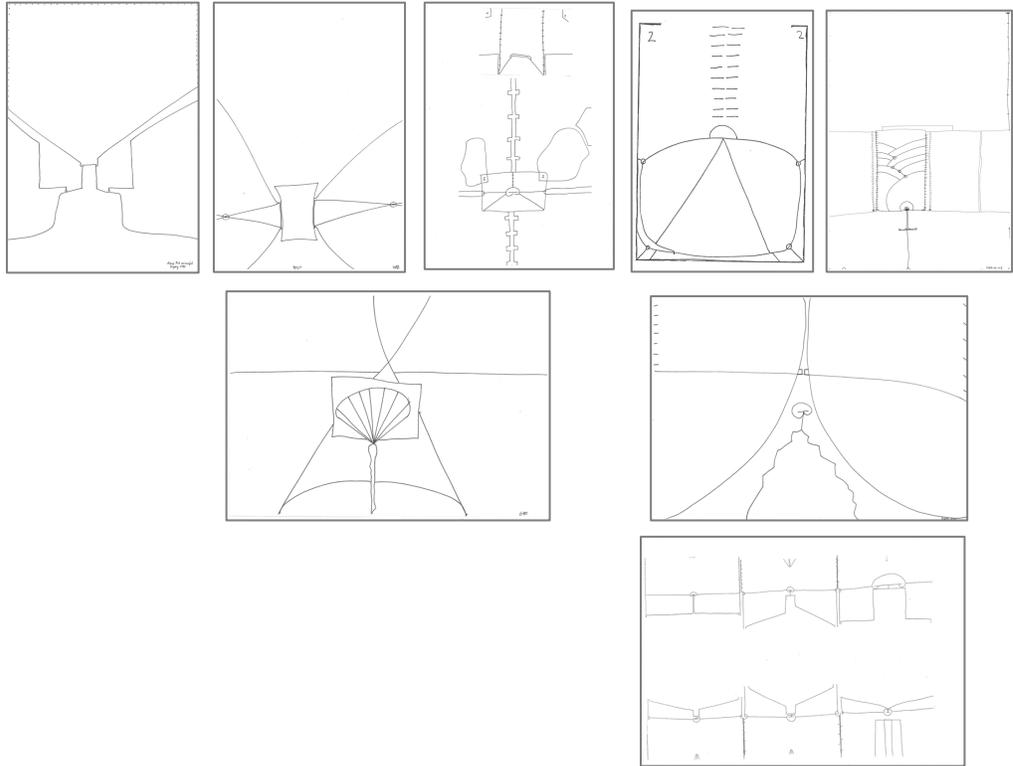
As we saw, relational art is based on the social positioning of its participants and takes into account that certain social relations are not visible to any other social position. Social visibility is an aspectual phenomenon and we focus here parts of society which are for most other social strata invisible. This desire for and factual invisibility is often a derivative of social privileged positions and an indicator of power. Due to this feature, the aspectuality of the perception of these works is the core experience for the audience who happens to be not member of the target group. For them, this kind of artwork will be not able to be “verified”. Since the work is beyond their access, it may be viewed as a rather conceptual transactional art.

⁴⁴⁹ Maude, David. *Global Private Banking and Wealth Management, The New Realities* ,Wiley Finance, 2006

⁴⁵⁰ Veblen, Thorstein. *The Theory of the Leisure Class. An Economic Study of Institutions*. London: Macmillan Publishers, originally published 1899.

A unique feature of Victor Wealth Management and Private Banking are its visualized communication between the firm and the clients. This is a service of financial planning which offers its clients a holistic view on their lives. Customers financial profiles and needs are captured in collaboration with the customer by so called life-plans, individualized visualizations, which represent the lives and aims of the customers and other relevant parameters, such as the risk-appetite. In a sense these interactive visualizations may be considered as epic media (as explained previously) trying to capture a long term perspective.





Victor-Novus-Capital Life plans for financial Planning, courtesy of anonymous clients, 2010

These life-plans are the instruments for the communication between clients and Victor Novus Capital. Again investments are in various capital forms and the banks' core competence is to consult in the conversion of the forms of capital- at any time in life and for individuals as well as for families. All the here displayed drawings have secret semantics, which are only known to the client. I display them here anonymously and in courtesy of the clients. The life plans can be enriched by a portfolio visualization, which displays all instruments of investments in one view.

Victor Novus Legacy-Services

This work is a business model based the question of meaning of life. It facilitates any kind of legacy creation by being a service provider to make dreams come true. As a transactional conceptual artwork, this work is communicated to people outside of the art world. It makes these parties reflect on the meaning of life- without any deliberate exposure to the art

context. By just meeting me and asking the innocent small talk question, they become exposed to the question of meaning of life.

Victor Novus Legacy Services addresses the highest level of the Maslow pyramid- the area of self-actualization. Dreams, which otherwise would not become reality for individuals, who have achieved and secured the other levels for themselves and their families. The services can be cover anything. In case the family values are top priority, especially the education of the children, then Victor Novus Legacy Services provides consultations regarding the acquisition of cultural capital, eg. educational institutions. In case intellectual and a creative work is an ambition, a top level consultation service for conceptualization and implementation of creative ideas is offered. This applies, if for e.g. books should be written or a film script is the desired outcome. Charity and donations, creations of foundations and other pro bono activities may be supported by the Services. As a business model, Victor Novus Legacy Services is actively accumulating various forms of capital and banks on them.

The company relies on a network of project managers and collaborators, who can implement quasi any idea, which the client wishes to be implemented. The client enjoys his strategic creativity, Victor Novus facilitates the execution. Core competence and first experiences were in the field of creative self-actualization, such as art commissioning, becoming an undercover novel or film script writer, hedging the creative risks in discretion.

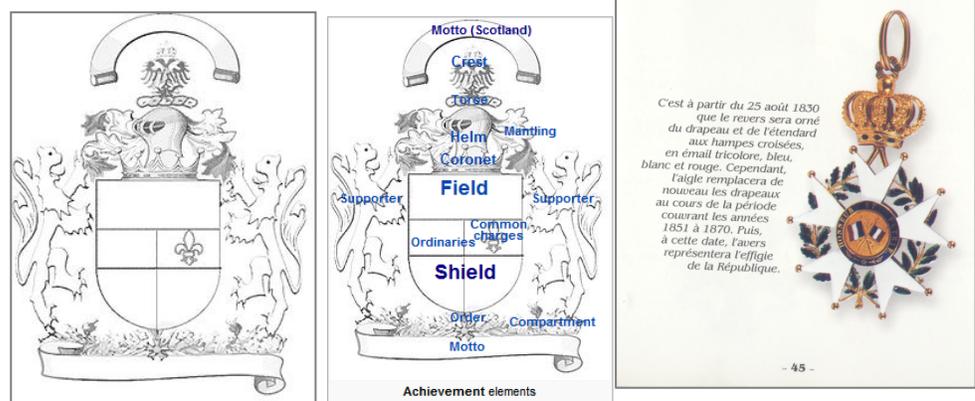
The very first clients are based in the United Arab Emirates a location where customized luxurious life style products and services find one of the most vivid markets. In general, emergent counties are an interested market, since here the conversion of economic capital into other forms, in particular cultural capital in the form of education is a primary concern of the first generation wealthy.

Victor Novus Legacy Services, does not advertise or engage in marketing activities. It offers a highly exclusive service and accepts only selected clients. It is also highly discrete, unless visibility is wanted. It does not convince clients, since potential clients automatically self-select themselves. They immediately react and are immediately interested when being exposed to the idea the first time. The idea is thereby self-filtering. Individuals, who have

difficulties to understand the services offered, are not potential clients. There are no references of previous clients available. Victor Novus Legacy Services accepts various forms of capital, as all Victor Novus Capital companies. Clients may pay in economic, social and symbolic capital, in other words, encourages the forms of creative deal-making.

Again, main target group for this service are High Networth and Ultra High Networths predominantly from emerging countries, who may want to execute strategic creativity not only in the business realm, but also by shaping the Zeitgeist of the dynamically transforming societies they live in. Or they may just have the urge to just to escape consumerism by becoming creatives themselves, experiencing satisfaction through creativity and refinement- displayed either in privacy or catering to any level of vanity.

Victor Novus also facilitates all forms of legacy creation via symbolic capital and connects with services designing escutcheons, medals and other media informed by heraldry. Links to online systems generating heritage trees will also be available. Opposed to the existing services, Victor Novus offers a integrated approach to legacy. In the future we will also investigate opportunities to create a new heritage tree register for families in emerging countries, sanctioned by members of the upcoming elite.



Victor Novus Legacy Services for the design of symbolic capital

Other divisions of Victor Novus include a Boutique investment firm, offering innovative financial products for private and institutional investors. A specially designed hedge fund will provide exposure to new concepts of risk and opportunity manafement.

Several products target various life phases: e.g. educational high potential bonds allow promising students and young people to borrow money in their early years with a promise to pay back later, when they are high earning professionals. Investors can choose to invest in these high potentials. They may also overlook their investments though by taking a mentoring position for the young person. This way a kind of cultural, social and other forms of capital can easily be transferred and the investments cover various forms of capital. Future developments include also creative retirement products, targeting the overaged population in the developed world. Though Victor Novus is primary operating in the upmarket segment, there are some synergies with the services provided by Possible-World.com, a potential candidate for a merger, which is much more a mass product distributed through the internet (as described below).

Victor- Online Payment System

Victor Novus offers also an internet online payment system which allows e-commerce companies to accept payments in the various form of capital. The basic currencies are the Bourdieuan four forms of capital Users may also create their own currencies: for example, on may create a socalled “joker” currency which is a payment with the utterance “I love you”. All sellers on this marketplace can then either specify one of the categories they accept capital. User, if unhappy with the price offered can try to engage the seller with alternative capitals. Of course, the seller will not always want to reveal the strategic implications of the capital. Aim is to facilitate creative deal-making by thinking about opportunities and how deals can be optimized. Important is, that the list of forms of capital may serve more as a source of inspiration for new deals, than for actual currencies. The icons can be attached to various internet businesses (like the facebook and twitter icons) and then indicate the openness to accept various forms of capital.



Sketches of currency icons

This payment system can also be extended to social networking websites which through this become transactional. As a source of inspiration for creative deal-making can particularly creative example deals be displayed on the Victor Novus Online Payment System site.

Possible-World.com –The Option of Freedom

A Service for the Pursuit of Happiness

Victor Capital is currently (Oct 2010) about to acquire the Possible-World.com escapism service to enter the retail markets. This is a service, which one may accuse of being repressively tolerant – preventing fundamental changes, by making the unbearable (some may say oppression) bearable,. However, this business model is not only innovative, but creates the whole market of “escapism services”. There synergies with the Victor Capital Private Wealth and especially the Legacy Services division make this merger a promising deal.

The Option of Freedom: Pursuing Personal Utopias and Managing the Risks of Change

Possible-World.com is a service facilitating changes in life: It is an insurance-like product offering an exit strategy to the client's current life situation and facilitates a new beginning. *Possible-World.com* supports life changes of any kind and caters to the more or less secret wishes of many individuals to restart somewhere else under new premises. Similarly to a witness protection program, *Possible-World.com* supports extreme wishes leading to radical reinventions and new identities. But it addresses also more moderate and experimental approaches, where people aim to develop new facets of their personalities and expose themselves to new experiences.

Possible-World.com provides a service for escapism and facilitates the pursuit of happiness by offering a pragmatic and financially viable ("transactional") service to approach personal utopias. By acquiring the "Option of Freedom" the client may already decrease the pressure of his current life form. Assuring assistance in managing the risks of change and anticipating a phase of transition, the product offers immediate comfort, which may make radical actions obsolete. The client can entertain thoughts on his personal utopias and develop change at his own pace and - if wanted - in absolute discretion. *Possible-World.com* takes away the social pressure and fears of failure which often hold people back. It offers fully customized solutions at any level of discretion and for any social constellation and may include families and/or friends.

Knowledge-Transfer from Art to Society: Risk and Opportunity Management

Many individuals in modern society suffer from what Marx would have called "alienation" of their work. Especially employees can be exposed to high levels of frustration. *Possible-World.com* not only let's people reflect on their priorities, but also helps them to achieve them by aligning actions with strategic goals. The mere existence of this potential exit strategy may prevent the actual need to execute the options. Therefore these mental

insurances may serve as a form of “repressive tolerance” to speak with Marcuse⁴⁵¹ preventing actual changes of society, since there are pain-easing mechanisms preventing the sufficient accumulation of frustration, which could ultimately lead to truly new reforms.

We consider artists as professional experts in risk-management and what we call “opportunity management”. Artists, like entrepreneurs, have to spot relevant opportunities, define processes and take the risks of production. They tend not to divide between “work” and “life”, a life-style which may be of interest for other parts of society to reflect on. In this sense we offer a platform for the transfer of know-how from artistic practices into other domains of society.

Various Financial Products

Possible-World.com provides great flexibility and no obligations for the customer. A custodian account is opened in the client’s name and he can accumulate funds for a possible exit or transformation over time. In case he does not want to make use of the service he may transfer the funds back to himself.

On this match-making platform various service providers are bundled and can be customized for the individual demand. *Possible-World.com* manages the risks of change by providing access to such different experts as lawyers, relocation-companies, financial consultants, headhunters and career-coaches, psychologists, plastic surgeons, artist’s agents and even artists as change-consultants. It also provides also assistance in case one wants to become an entrepreneur.

This artistic e-business keeps a relatively small fee from the regular payments in order to recruit and administer the various service providers. During the accumulation period the funds may be invested by the client.

As in many insurance products there is also a vesting period, i.e. a time until the services can be drawn. This point of time will be one year ahead from the exhibition. Until then the

⁴⁵¹ Marcuse, Herbert *Repressive Tolerance* in: Robert Paul Wolff, Barrington Moore, jr., and Herbert Marcuse, *A Critique of Pure Tolerance*, Boston: Beacon Press, 1969, pp. 95-137.

audience, as in other transactional art works, cannot be sure, if the work is merely fictional or if the services will actually be delivered.

Basically three types of services will be developed. Legal disclaimers assure, that no guarantees for success are granted. *Possible-World.com* itself is involved as a meta-consultant and its main activity is the match-making to specialized service providers.

Explorations and Alter Ego

This category encourages the exploration of new ideas without the risks of publicly announced attempts. E.g. in the case of secret creative ambitions: *Possible-World.com* helps to market their client's writings, painting etc. under a pseudonym and explores the potential.

Reinventions

These services facilitate radical changes as well as experiments: career-changes, development of new skills and transformations of social constellations. *Possible-World.com* provides here mainly guidance for the targeted markets and contexts.

Tabula Rasa

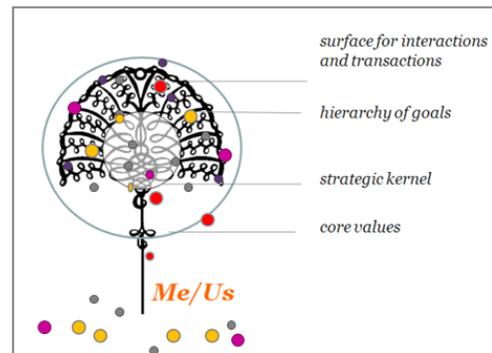
This is the most advanced and radical service. Customers may envision themselves in completely new scenarios leaving their current existence behind. After eligibility checks (e.g. financial and legal) *Possible-World.com* helps to prepare for this radical exit strategy. Ad-hoc exits are prevented through the vesting period. *Possible-World.com* advises also on the communication strategies for the exit and the entry.

Possible-World.com aims to be highly pragmatic and aims to provide fall-back solutions for any stage of an exit: in case of dislike, it helps to provide narrations for a re-entry into previous settings. Services include among others financial transfers, relationship-management, online extinction of traces, all sorts of image-management e.g. the handling of social network identities.

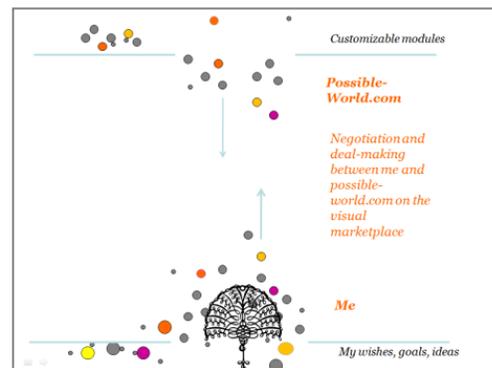
For each of the products various levels of financial commitment can be chosen. The plans differ in the capital to be accumulated for drawing the services. *Possible-World.com* charges 2 % p.a. for plans in the main currencies EUR, USD and JPY and individual rates depending on other currencies. As an art-project we will keep contractual details as simple as possible.

Supporting Creative Deal-Making: The Visual Interface

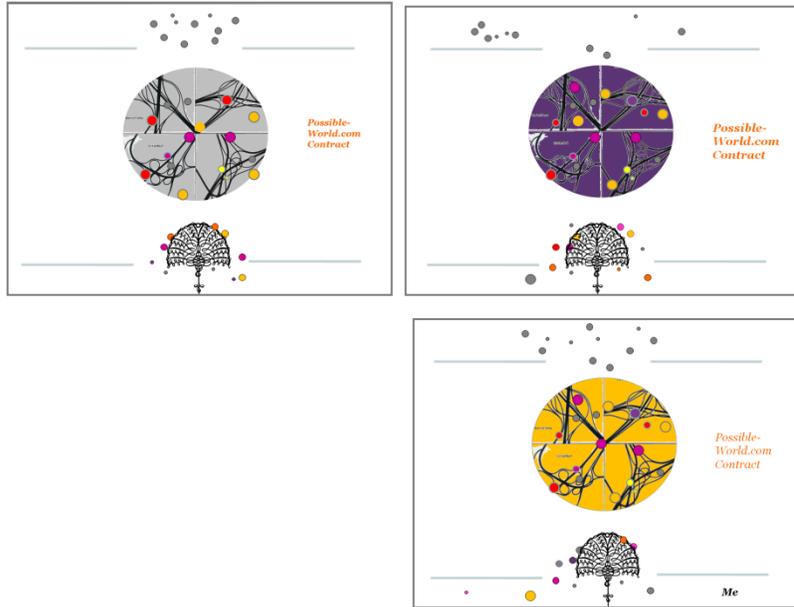
Unlike usual insurance policies *Possible-World.com* policies are *visual* contracts, which created with a specially developed software. This system allows to represent via a visual questionnaire personal preferences and then customize contracts with *Possible-World.com* accordingly.



Representation of self and goal hierarchies



Developing with Possible-World.com a customized contract



Visualized contracts supporting personal wishes, goals and ideas

The software is part of the project *O-d-o.com* which is a generic platform for negotiating, contracting and transacting via a visual market-place.

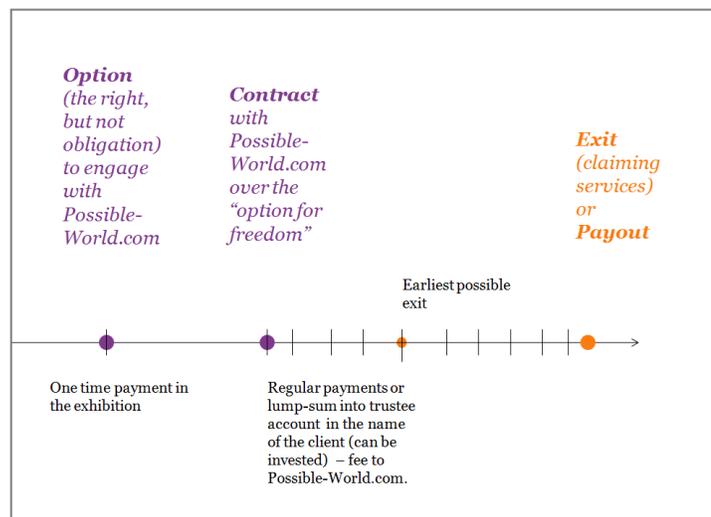
In the Exhibition: Buying the “Option of an Option”

Having various possibilities at hand tends to be enjoyable for humans. In aesthetics it has been claimed that the aesthetic pleasure of interactive art is actually the experience of a range of possibilities provided through the piece. *Possible-World.com* thematizes the experience of possibilities in the form of an utopian art-service. For the exhibition-context we concentrate on the thought experiment, rather than on the actual closure of contracts.



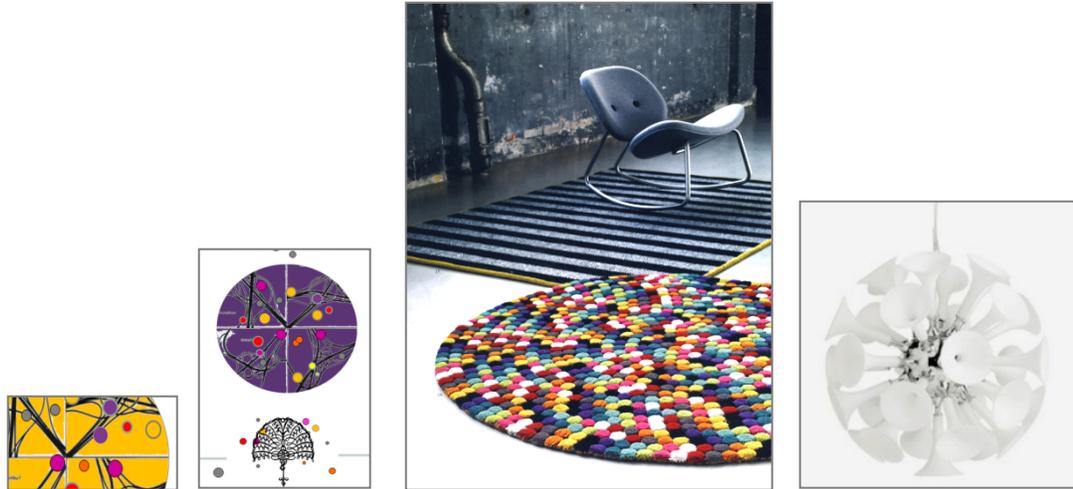
Sketch for the Logo

For the presentation to the public, we currently plan an interactive installation with a flashy consultation booth including a chaise longue and perhaps fictitious testimonials about successful transitions. Within the installation the visitor may purchase for a small price (to be defined, ca. 10 EUR) an “Option for the Option” and receives a specially designed and limited edition certificate (and/or small give-away) representing the right, but not the obligation to engage in the services of *Possible-World.com* as described. This introduces an element of exclusivity and limited supply for the *Possible-World.com* services.



Timeline for *Possible-World.com* Project in an exhibition

The visitor may also book a personal consultation-session with the artist (or other in this project participating artists), play around with the interactive questionnaires and/or execute his option and sign up for a contract.



Design studies for the installation

In a later stage we may provide visualized contracts (2 D graphics and/or even 3 D sculptural prints in collaboration with Andreas Schlegel) as give aways to the audience. The semantics of these visualized contracts are only known to the customer.

Team

Concept, Interfaces, Design and Production: Daniela Alina Plewe (see attached bio)

Layout/Design of documents Antonia Neubacher

Programming: current negotiations with various programmers for a prototype.

Options-on-Love.com - Relationship Design and Risk Management

This business is based on the application of risk management practices to the private life in general and dating in particular. Due to its provocative nature this company underlines its status as an artistic social experiment. As a social and thought experiment it would probably drastically change the way we think and live partnerships and institutionalized relationship like marriage. This approach offers much more flexibility to what we want to call “relationship design” than the existing, one fits all approach to more or less standardized agreements (some prenuptial agreements may be seen as a way to create more flexibility, but since not a standard in society always risk a loss of trust between the

couple). This approach may not be full implementable but could trigger reflections on the one-fits-all approach to marriage and allows innovative relation-ship designs.

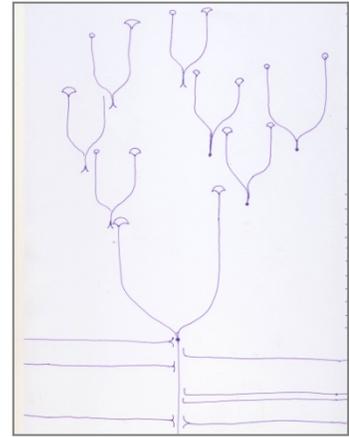
Participants can actively “design” social agreements concerning their social relations. For example they may tailor their speech-acts⁴⁵² on the O-d-o online platform and negotiate their relationships with others. In this sense this piece may be put into the context of relational aesthetics. The relationship-designs may especially profit from the financial innovations in the field of risk-management.

Dating (especially with the aim of meeting potential partners for life) in Western cultures is a time based market, it operates usually “on the spot” mating partner in the present, but not in the future. Mates may “miss each other” in case relationships between potentially good mates actually are missed out, due to an unfortunate timing and availability at a later point of time is often not considered. Sometimes windows of opportunities do not match, especially in later phases of life.

Instead of this kind of linear approach to dating, there could be the possibility spaces created by the help of the financial instrument as options. As we already know these instruments allow managing windows of opportunities. Potential “loves” can become the subject of an option and document some sort of opportunity which is considered between two people. One could imagine the various phases of life associated and “booked” with various options for partners. The currency for the options or futures can be in any currency. Often they may just create social capital (or love capital) by being executed as speech-acts⁴⁵³, not necessarily implying legally binding or enforceable actions.

⁴⁵² Inspired by J.L. Austins and J. Searle’s Speech Act Theory - John Langshaw Austin: *How to Do Things With Words*. Cambridge (Mass.) 1962 - Paperback: Harvard University Press, 2nd edition, 2005 and John Searle, *Speech Acts*, Cambridge University Press 1969.

⁴⁵³ Searle, Austin, *Speech Acts*



Options-for-love –life plan

How would such an approach change the pains involved with break-ups, mitigate responsibilities, alter potential sources of conflict, such as concepts of faithfulness or even promiscuity? We envision that individuals are may plan their lives and relationships and may in a multidimensional rather than a linear possibility space. All parameters of the options can be customized. E.g. the conditions under which the option can be executed and its point in time can all be subject to a negotiation. Of course no guarantee can be given, but certain social risks may be reduced. Aim is to increase comfort and flexibility and reducing certain fearful emotions.

Source of inspiration is the following historic example of an early use of derivatives applied to mating. Derivatives have apparently been around before the time of Christ. In the Genesis, Chapter 29⁴⁵⁴ (believed to be about 1700 B.C.) Jacob purchased an option costing him seven years of labor that granted him the right to marry Laban's daughter Rachel. His prospective father-in-law, however, reneged, perhaps making this not only the first derivative but the first default on a derivative. Laban required Jacob to marry his older daughter Leah. Jacob married Leah, but because he preferred Rachel, he purchased another option, requiring seven more years of labor, and finally married Rachel, bigamy being allowed in those days. Jacob ended up with two wives, twelve sons, who became the patriarchs of the twelve tribes of Israel. One may argue that Jacob really had forward

⁴⁵⁴ Bible, Genesis, Chapter 29

contracts, which obligated him to the marriages. However, Jacob did derivatives, one way or the other.

Derivatives create windows of opportunities in the future. And allow to bet on these opportunities. These bets can be complementary, which is called hedging. If event x occurs, we benefit. But we may bet at the same time as well, that it does not occur. Then we have to complimentary bets, and whatever the future brings, we win. This is called hedging, which means basically to have a bet for every possible outcome of the future. Of course this comes with costs, therefore the profit is not as big, as if there would have been only one bet and one got it right. The idea of hedging is, that no matter, what the outcome of destiny is, one takes some sort of profit and that the downside-risk is limited. Of course a bet always requires someone who is counter betting. This is in financial context the so called speculator. He is usually a resourceful counterparty, who deliberately takes the counter opinion and bets on it. Often the odds are against him and therefore he will require a higher return, as his risk are also higher. Even though in mass media the speculator is often blamed, he is actually a necessary ingredient for one of the most important functions of the financial system: the mitigation of risk. I believe, the concept of “risk management”, was so appealing, because it seemingly allows managing windows of opportunities in the future. Instead of a linear approach to time, one attributes prices to each possible world (in the sense we introduce the concept). This is also the reason, why the amount of capital on paper was so blown up during the height of the derivative boom. Not the instruments themselves, but the irresponsible, often fraudulent, use of them, and the intransparent combinations were the source of the financial crisis. Risk Management became a money making panacea since the 80ties, perhaps the best and most lucrative marketing campaign ever for a product.

I believe, that idea of risk-management, can it be transferred to other potentially risky domains, for example to relationships. Let us ask how we could for example hedge the needs of a single mother securing her children, or a divorcee, who needs time to overcome an unhappy separation. Of course relationships could have expiry dates upfront, a concept probably causing a lot of friction, which has been discussed for example in German media

initiated by Bavarian government politician ⁴⁵⁵ of seven year marriages as renewable contracts. The idea is also inspired by the Indian approach to arranged marriages, which are based on more or less rational and consensual matchmaking between family clans instead of between individuals.

Similarly to O-d-o, revenue will be created by taking a small fee for any contract executed on the platform and by allowing users to issue licenses. Ideally Options-for-love could be an application for social networking and match making sites. The domain options-for-love.com has been registered. As a low cost offline implementation, it could also be envisioned as a booth, issuing and selling contracts within an art exhibition.

Hey- Darling.com –Offshore Attention Provider

Hey-darling.com is also about social relationships and offers all sorts of outsourcing facilities aiming to provide attention, where needed and ease relationship or facilitate their transition. Core business of Hey-Darling.com are the emotional need services which are provided via call centre services. A call centre will be set-up in a low wage region, such as southern India (e.g. Chennai) where the offshore call centre has one of its centers.

The services cater to the emotional needs of users from all over the world. The services offer various hotlines supporting certain recurring communication situations in relationships, such as the wife rambling, neurotic loops, anger etc. User's can call the centre and articulate to a stranger their immediate issues. The personal will answer every call with "hey-darling" and thereby create a warm welcome, though the services are centered around professional listening, not so much consultation and advice.

For more elaborate services, online therapists can be accessed. But the core business is a call centre providing low cost and low involvement services for short-term acute emotional needs or their recurring treatment. All services can be customized for additional fees and upgraded to professional psychological help providers, which are then redirected to special partners of Hey-darling.com. Hey-darling provides low entry barrier, low hesitation and

⁴⁵⁵ Gabriele Pauli, Pauli will Ehen auf sieben Jahre befristen, Der Spiegel, 19.9.2007

low involvement quick relatively superficial services easing social tensions. Some of these services try to prevent damage of social capital and provide low-effort attempts, to accumulate it.



Sketch for logo of Hey-darling.com

On the long run, we aim to develop further business ideas, which may help to overcome and contribute to the battle of sexes and in general facilitate communication. On the long run, we plan collaborations with experts in order to create higher value services.

Examples of the call-centre services:

Ruby-Rancune is a service for anger management, where people can regretless vent acute anger and emotional distress and thereby preventing harm in their social capital. This is a service, form the French ruby-rancune.com anger-management site, which Hey-Darling recently acquisitioned. Targetgroup: anybody with or without an anger management issue.

Regretless Rambling: The husband, tired off listening to his extensively rambling wife, will subscribe for her to call hey-darling. com and will receive a kind of executive summary, about the essence and news. The call centre assistant will then checkmark the usually redundant topics and write a short “executive summary” about the new issues, which are sent to the husband. **Sunshine PMS** is a cheaper service only provided during a few days per month. Target group are mainly married couples.

Daisy Time, Bitching-on-Demand etc. teenagers and dating woman in general may call hey-darling.com while expecting the highly desired – but overdue - call of

one of the dates. She may also send in a picture and gets **bitching on demand** about the formerly desired object. Target group are young dating woman.

Easy-Hunt, Easy-Kill, Easy-Fling, Easy-Love, Easy-Hubby This group of services provides sms templates, which either can be modified or directly used and forwarded to the respective receiver. If wanted, a full automated version can be subscribed to, apparently sending the smses directly to the receiver, and putting them in the subscriber's sent-box. For various phase of a relationship certain defaults are offered. All entries are kept in a database, which can be extended by users and are occasionally edited by an in house editor/psychologist. Target group here are mostly men.

Silver Woolf, Woolf's Whisper are all sorts of attention providing services for lonesome, perhaps also elderly demographic segments, possibly without children. Offered is a human listener. This service may later on merged with other services, such as mentoring, match making sites or charity work support groups. (Target-group are singles, the elderly and predominately in individualized cultures, such as in Western countries).

The staff can either be relatively low trained Indian workers, or highly educated psychologists. Of course a disclaimer has to be crafted carefully, in order to prevent legal responsibilities. Also, important is, that all sexually loaded conversations are excluded and certain measures kick out sexual conversations.

This experimental art company implies cultural clashes, as the staff is exposed to culturally very different value systems concerning also close and personal partnerships. What will happen to the employees being exposed to such personal views from another culture? What may be the impact on the Western customers, having e.g. an Indian listener, who however, will give subtle cues voluntarily or involuntarily.

Hey darling. com initially offered an online platform for the design of all sorts of relationships via a contractual platform like o-d-o.com. This company may ultimately be merged with the options-on-love enterprise.

Transactional Art-Franchise

This is a website for the transactional arts community. Since it is transactional, it is like a franchise, or network marketing, which allows its members to profit from each other's activities through various forms of licenses and agreements. Besides information and discussions around transactional arts, users may post new concepts, aim for funding and teamwork.

The website transactional-arts.com may also serve as a kind of idea-ora, where ideas can be posted and collaborations may be formed. Again this project is envisioned on the O-d-o platform. Currently a list of domain names are at disposal and can be sold on the site. Aim is, to provide a platform for the potential evolution of transactional arts.

APPENDIX

Related Materials

This section provides background information on theories and practices which were most influential sources of inspiration for the artistic works. We start with an excursion into the relationship of transactional art and strategy.

Bourdieu- Conversion of Capital in the Arts

Bourdieu describes potential forms of conversion; all conversions may happen under certain conditions, never automatically and their “conversion-rates are not surprisingly never quantified or formalized within Bourdieu’s writings.”⁴⁵⁶

	Economic Capital (EC)	Cultural Capital (CC)	Social Capital (SoC)	Symbolic Capital (SyC)
Economic Capital	EC-> EC Not explicated by Bourdieu: business models, investment principles of risk and reward (not elaborated by Bourdieu), compounded interest etc. Institutionalized in property rights.	EC-> CC Education as <i>Institutionalized</i> cultural capital	(additional to Bourdieu): EC->SoC Access to social circles, e.g. boarding schools and exclusive social networks based on economic capital.	EC-> SyC Conspicuous consumption of luxurious products, membership through circles which require economic capital, but not necessary cultural capital – e.g. “nouvelle riche”
Cultural Capital	CC-> EC Institutionalized CC(education)	CC-> CC Accrued cultural capital (more	Additional to Bourdieu: SoC-> CC	SyC-> CC Not really applicable?

⁴⁵⁶ Additional to Bourdieu” refers to conversion, which Bourdieu did not explicitly mention in his essay.

	<p>can be capitalized since it pays off on labor market CC->EC <i>Embodied:</i> domestic and academic transmission of cultural capital (leading to human capital) <i>objectified:</i> e.g. artistic products sold on art market, require EC for their production.</p>	<p>cultural capital is easily converted into more cultural capital)</p>	<p>Through exclusive social networks access to Cultural Capital</p>	
Social Capital	<p>SoC -> EC Material profit through privileges for exclusive groups and e.g. exclusive business opportunities</p>	<p>CC-> SoC (not Bourdieu) Access to exclusive circles – “nouvelle riche”</p>	<p>SC-> SC Accrued social capital (more social capital is easily converted into more cultural capital)</p>	<p>SoC -> SyC Display of exclusivity and membership of prestigious groups.</p>
Symbolic Capital	<p>SyC-> EC SYC is an aspect of EC, e.g. “Brand-Value” Mere SyC is converted into EC in fraudulent cases of e.g. masqueraders and con art.</p>	<p>SyC-> CC If membership to a prestigious group actually generates CC</p>	<p>Additional to Bourdieu CC-> SoC Access to exclusive circles – “nouvelle riche”</p>	<p>SyC -> SyC Accrued symbolic capital (more symbolic capital is easily converted into more symbolic capital)</p>

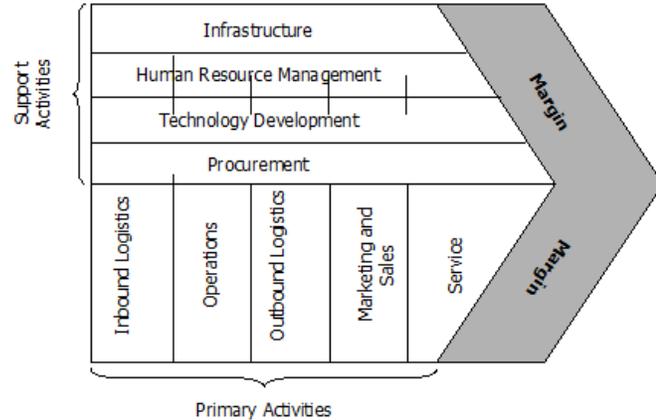
Forms of Capital and their Conversions into each other.

Michael Porter's Value Chain

The term 'Value Chain' was used by Michael Porter in his book "Competitive Advantage: Creating and Sustaining superior Performance" (1985). The value chain analysis describes the activities the organization performs and links them to the organizations competitive position.

Value chain analysis describes the activities within and around an organization, and relates them to an analysis of the competitive strength of the organization. Therefore, it evaluates which value each particular activity adds to the organizations products or services. This idea was built upon the insight that an organization is more than a random compilation of machinery, equipment, people and money. Only if these things are arranged into systems and systematic activates it will become possible to produce something for which customers are willing to pay a price. Porter argues that the ability to perform particular activities and to manage the linkages between these activities is a source of competitive advantage.

Porter distinguishes between primary activities and support activities. Primary activities are directly concerned with the creation or delivery of a product or service. They can be grouped into five main areas: inbound logistics, operations, outbound logistics, marketing and sales, and service. Each of these primary activities is linked to support activities which help to improve their effectiveness or efficiency. There are four main areas of support activities: procurement, technology development (including R&D), human resource management, and infrastructure (systems for planning, finance, quality, information management etc.).



Porter 1985

Michael Porter Value Chain

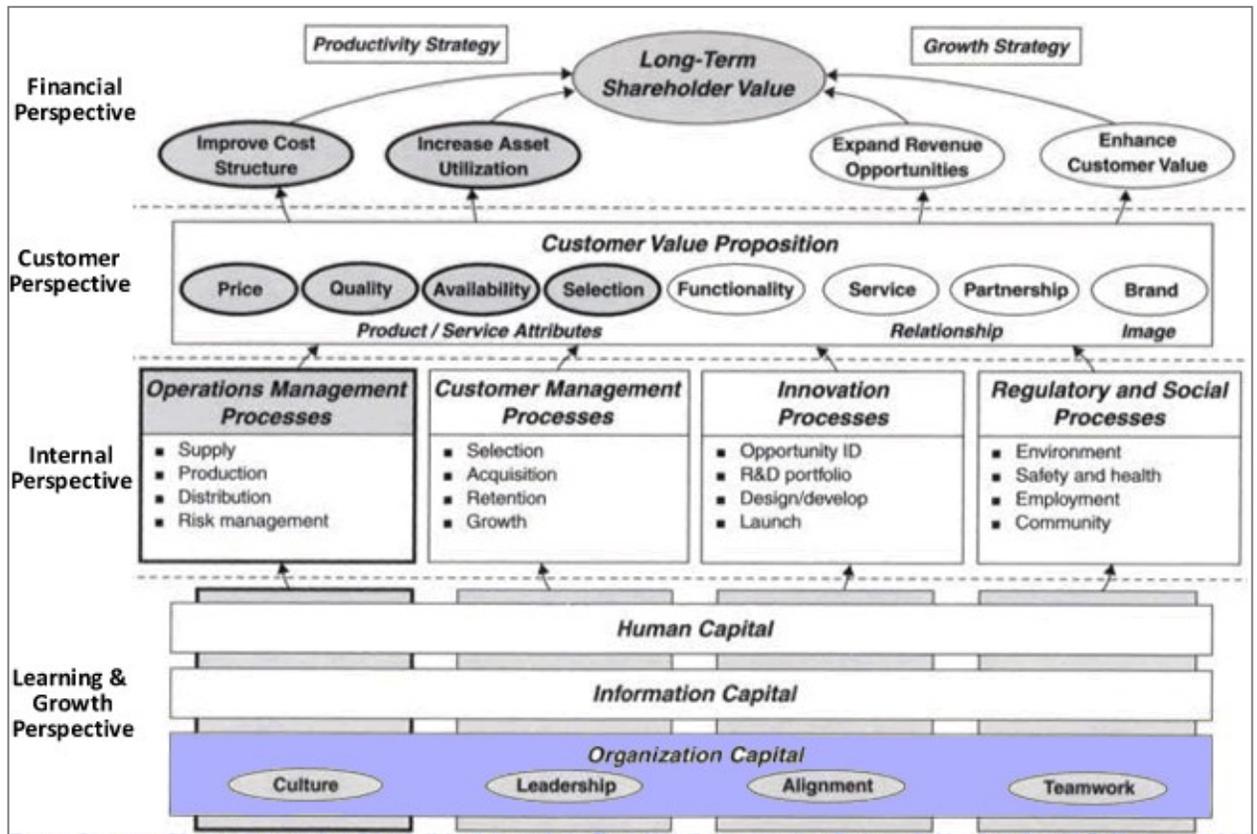
Balanced Scorecard

The Balanced Scorecard is a performance management tool which began as a concept for measuring whether the smaller-scale operational activities of a company are aligned with its larger-scale objectives in terms of vision and strategy. The model was refined and the visual approach for the representation was published under the title “Strategy Maps”⁴⁵⁷ in 2004. It is widely accepted abroad all industries and according to the website is implemented in more than 50% of the top 500 US Corporations.

The core concept is a map with the higher level goals on the top and all subsequent goals aligned according to them. Four so-called perspectives secure the overall linkage with any

⁴⁵⁷ Robert S. Kaplan, David.P. Norton, Strategy Maps, Converting Intangible Assets into Tangible Outcomes, Harvard Business School Press 2004

activity within the corporation. The system is meant to help to develop, as well as to communicate strategic aims and their break-down into sub goals.



Generic Strategy Map

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