New York City Opera announces bankruptcy

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The New York City Opera, in a long-expected announcement, confirmed on October 1 that it was filing for Chapter 11 bankruptcy protection. The 70-year-old company is canceling its 2013-2014 season and plans to wind up its operations.

Formed with the enthusiastic encouragement of then-Mayor Fiorello LaGuardia, who dubbed it the "people's opera" in contrast to the wealthier and older Metropolitan Opera, the City Opera became especially prominent in the post-World War II decades, when it launched the careers of famous singers, most notably soprano and native New Yorker Beverly Sills. Tenor Placido Domingo first appeared at the City Opera in 1966 at the age of 25.

Until recently the City Opera occupied one of the major theaters at Lincoln Center, across the plaza from both the Metropolitan Opera and Avery Fisher Hall, home of the New York Philharmonic. While second to the Metropolitan in New York, the City Opera was one of the most famed and highly regarded companies in the US.

In the past week the opera, under its artistic director and general manager George Steel, sent out urgent daily email pleas for money. The company said it needed to raise $7 million by the end of September and another $13 million by the end of the year, but in the end did not even come close. An online Kickstarter campaign with a goal of $1 million from small contributions reached only about 20 percent of that goal.

The City Opera's financial crisis dates back at least a decade. It first ran a deficit in 2003. The entire 2008-09 season was skipped while the New York State Theater at Lincoln Center was renovated, badly damaging the City Opera's publicity efforts and subscriber base. Then Gerard Mortier, the avant-garde director of the Paris Opera who had been signed to come to New York back in 2007, announced that he was not coming after all because the City Opera could not meet its promise of a $60 million annual budget.

The latter development was accompanied by the use of $24 million from the company's endowment to pay bills. This was followed by the drastic curtailment of City Opera's schedule. The number of productions fell from 17 a year to only 4 in the space of a decade, and annual performances from about 115 to 16. At the same time, no longer able to pay the rent, the company left Lincoln Center and rented various venues around the city.

Last year the City Opera locked out its musicians and succeeded in ripping up a previous guarantee of 26 to 29 weeks of work per season, replacing that with an essentially freelance system in which musicians and choristers were paid by performance. Instrumentalists and others with years of service were reduced to pay of $4,000 or $5,000 annually on this basis.

With its drastically reduced schedule the company was able to balance its current budget, but it had no funds for new productions. The end of the current season means that previously announced productions of Bartok's *Bluebeard's Castle*, Mozart's *Marriage of Figaro* and Johann Christian Bach's 1772 rarity, *Endimione*, will not be seen. The final production in the history of the City Opera, the American premiere of Mark-Anthony Turnage's opera *Anna Nicole*, just ended its run of performances at the Brooklyn Academy of Music.

The City Opera's various budgetary moves have all been second-guessed as "bad business decisions," especially in the columns of the business pages of the local press. At the same time, none of these financial experts or arts administrators have suggested exactly how they would have proceeded in the circumstances. Above all, none of them have questioned the inviolability of the current system in which culture is held to ransom by the super-rich. The idea of public subsidies for the arts is no longer even discussed in "polite company."

It is no coincidence that the past decade, which has seen a polarization of wealth in New York City even greater than that of the Gilded Age more than a century ago, has also seen the decline and now the collapse of the New York City Opera.

Outgoing Mayor Michael Bloomberg, one of the wealthiest individuals in the world, recently bragged of New York's success in attracting foreign billionaires to the city, claiming that these parasites provide the funding that enables the city to dole out a few pennies to the growing numbers of the poor, in 19th century, Victorian-style.

These billionaires, however, are in most cases not interested in culture. To the extent they want to be seen at the opera or to make a few donations, it is at the more prestigious Metropolitan, not the City Opera. At the same time, especially after the financial crash of 2008, growing unemployment, squeezed incomes and the higher costs of education, health care and housing have led to declines in the audience at the City Opera and elsewhere from among working people, the young and sections of the middle class.

It is also significant that City Opera lost an entire season of performances at its home at Lincoln Center as part of renovations that saw the theater renamed for the ultra right-wing oil and gas billionaire and Tea Party backer David Koch. The opera company was literally destroyed, but the "legacy" of Koch was preserved in granite.

The fate of the City Opera is a specific variant of a broader phenomenon, one that includes the ubiquitous high-rise luxury condos sprouting all over midtown and downtown Manhattan, the development of luxury hospital suites and $30,000 annual tuition for private pre-schools for the children of the wealthy. Under these conditions, the New York City Opera is portrayed as a quaint anachronism.

Bloomberg summed this up in a statement September 30, in the final hours of the countdown toward City Opera's bankruptcy. "The business model doesn't seem to be working," said the Mayor, but "city government can't go and support all the arts institutions."

The demise of the City Opera is of course not simply a New York phenomenon. The Minnesota Orchestra, which has locked out its musicians for over a year, has just announced the cancellation of its upcoming concerts at Carnegie Hall, and the fate of this world-class ensemble is very much up in the air. Musicians at the Detroit Symphony and orchestras around the country have been forced to accept drastic cuts in pay and benefits. The example of the bankruptcy of Detroit and the threat to sell off the masterworks at the Detroit Institute of Arts is the most dramatic expression of the way in which the crisis of the profit system hangs like a sword of Damocles over cultural riches that have existed for the public for generations.

To the extent that New York City still retains any vitality in the classical music field it is largely due to the existence of several famous music conservatories, including Juilliard and the Manhattan School of Music. These fill an important gap for lovers of live classical music, providing scores of free or low-cost concerts annually. They are not a substitute, however, for a lively and vibrant musical scene. And where will the talented Juilliard graduates, musicians and singers alike, find careers, which were increasingly difficult even before the closing of the City Opera and similar institutions?

A recent report in the press commented that "the 21st century has been cruel to the finances of City Opera." The disembodied century is not to blame, however—the culprit is 21st century capitalism. The profit system, along with the unprecedented inequality that it breeds and is its inevitable consequence, is advertising its social, cultural and moral bankruptcy more and more openly every day.