Millionaire offers $5 million in support of plan to spin off the Detroit Institute of Arts

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7 December 2013

A. Paul Schaap, a multi-millionaire biotechnology executive, announced Thursday that he would contribute $5 million toward US Chief District Judge Gerald Rosen's plan to transform the Detroit Institute of Arts (DIA) into a "nonprofit" entity, transferring control over the museum from the city to a group of enormously wealthy private foundations. Schaap planned to meet with Rosen for discussions Friday.

Judge Rosen's plan, widely promoted by the Detroit media, would see 10 foundations come together and pool some $500 million as part of a deal to "spin off" the DIA. Confidential negotiations are currently taking place behind the scenes, and behind the back of the population of Detroit, to achieve this reactionary aim.

"With eligibility out of the way, the next six weeks to two months are critical. These are the deal-making months," said an anonymous source with insider knowledge of the negotiations to the *Detroit Free Press* .

Foundations seeking the art include the Ford Foundation, the Kresge Foundation, the McGregor Fund and the Hudson Webber Foundation.

The media and the political establishment are presenting Rosen's plan for de facto privatization of the DIA as a way to "save" and "protect" the art, while reducing the scale of impending cuts to pensions and city services. According to the *Detroit News*, the aims of this proposal are to "shore up city pensions," "relieve pressure on the DIA to sell artwork" and "free up money to restore city services."

In reality, the attack on pensions will go forward, even as the DIA's art collection is transformed into a plaything of the financial elite. Far from being an economic necessity, the bankruptcy is the product of a political conspiracy spearheaded by the office of Michigan governor Rick Snyder to restructure Detroit in the interests of the wealthy. It is not a matter of choosing between the DIA collection and pensions: both are to be confiscated, one way or another.

These moves, like the plans advanced by Emergency Manger Kevyn Orr to sell DIA pieces outright, are historically unprecedented. If such a plan were to go forward, the DIA would be the first major public US museum to be taken over by private interests. According to museum director Graham Beal, sale of any of the art would lead to "nonprofit-controlled liquidation" of the collection.

Snyder's office applauded the effort to privatize the DIA collection. An email from Sara Wurfel, the governor's spokeswoman, indicated Snyder was "encouraged by people coming together to try and find creative solutions to very difficult problems—that culture of collaboration should be everyone's goal throughout bankruptcy and beyond."

Powerful forces are pushing hard for so-called monetization of the museum. Major city creditors such as Financial Guaranty Insurance Co (FGIC) and Syncora Guarantee Inc. have joined together with the American Federation of State, County and Municipal Employees (AFSCME) to seek legal authority to participate in the valuation and potential sale of DIA assets. Their representatives have expressed determination to see the collection monetized. Derek Donnelly, a top executive at FGIC, asserted recently that the "D.I.A. or art is not an essential asset" of the city.

Emergency Manager Orr, who exercises dictatorial powers over Detroit, has repeatedly pledged to squeeze as much money as possible from the museum. During his round-table discussion with the *Free Press* this week, Orr stated categorically, "We will try to get some value from the art in some fashion … Let's be clear.

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That’s a city asset.” Orr suggested that an alternative to the direct sale of the art would be to “leverage” or “condominium-ize it,” adding “I like art. The museum is ours; it belongs to the city.”

In relation to this comment, the *Detroit News* noted that Christie’s has already “suggested a plan that would enable wealthy art lovers to buy minority shares in DIA masterpieces.”

Orr also implied this week that any DIA staff who resist efforts to monetize the art would be removed, saying “If there are contractors who work for us … who might be less zealous in their support of those decisions, we have to make appropriate decisions to address impediments to what we have to achieve.”

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