

## **Resist Complements – Demand Constructive Criticism and the Miami Art Basel Fair What Happens Next – 12.5.2021**

Welcome to What Happens Next.

My name is Larry Bernstein.

What Happens Next is a podcast where an expert is given just SIX minutes to present his argument, and that is followed by a Q&A period for deeper engagement.

Today's topics include, Resist Complements and Demand Constructive Criticism, and the Miami Art Basel Fair.

Our guest today is Steve Herz.

Steve is one of the nation's premier talent agents and career advisors. He is also the author of the book Don't take YES for an Answer.

Steve believes you got to want it. You are the one in charge of your future and you need to want to get better if you wish to improve your performance in anything whether that be in school, at work, or with personal relationships.

Steve wants you to focus on developing your soft skills. He refers to talents as your authority, warmth and energy. If you can master these soft skills, then that will catapult your career and your life forward.

Our second guest on today's program is Wendy Cromwell, who is the founder of Cromwell Art, and she's one of the top art advisors focusing on building world class collections.

Every month, since the beginning of Covid, I've discussed the employment report released by the BLS or Bureau of Labor Statistics. This Friday's public announcement was another surprise.

As you may know, the BLS publishes two surveys. The most well-known is the Establishment Survey, that incorporates its employment data from the country's largest firms. And the second is the Household Survey, which utilizes phone calls to 50,000 household to find out if anyone in the family has started a new job. Well, these two surveys this month had very different result.

The Establishment Survey showed an increase of employment of 210,000 jobs in November. In contrast, the Household Survey produced an increase of 1.14 million jobs, or nearly five and a half times more. How is this possible, you might ask? Well, the surveys are really different and capture different aspects of the economy. The Establishment Survey is focused on the largest firms and has low volatility. The Household Survey is terrific because it incorporates smaller firms, entrepreneurial activity and anything outside of traditional large employers.

I suspect that at this stage of the economic recovery, it is the small firms that are doing most of the hiring, which is why the Household Survey is showing such hire increases in unemployment. This should also serve as a note of caution. The unemployment rate collapsed on the month, from 4.6% to just 4.2%, as approaching full employment. With a huge federal government stimulus from the infrastructure legislation and potentially from the Build Back America bill, there will be huge increases in demand for

employment, where there are few workers available on the sidelines. A few months ago, on What Happens Next, Jorge Castañeda, who ran for president in Mexico, said that with a shortage of American workers, that these bills would provide enormous incentives for Mexicans and Central Americans to move to the US, to take advantage of the fiscal stimulus. Well, this will be a subject of a future program.

So, with that said, I would like to turn to Steve Herz. Please begin your six-minute presentation.

Steven Herz:

I'm Steve Herz. For the past 30 years I've been a talent agent. In my six-minute presentation I will teach you how you can excel.

I was taught that success depended on intelligence, education, hard work and competency. These skills are necessary, but not sufficient. To succeed, you must have a desire for self-improvement and you must develop your soft skills.

Let's start with your desire to improve.

Your coworkers, friends, and loved ones, they blow smoke up your ass. Resist it. People will lie to you or simply lie by omission. Why? Because the truth hurts and nobody wants to create an uncomfortable situation. Your job is to resist this. Demand constructive criticism from your boss, your underlings, your family and friends, and even perfect strangers when appropriate. You need to stop drinking your own Kool-Aid. Instead, you need to find your own aggressive humility.

Everything you do could be done better, actually much better. For example, in business, your presentations, your sales methods, quantitative analysis, management of people and process and personal relations, could be improved significantly with this mindset.

Michael Jordan worked every day to improve his dribbling, jump shots, free throws and defense, and this is while he was a champion already. He was the best basketball player ever, because he was on a perpetual journey to improve his skills through constant feedback.

Learn from Mike. You need to find ways in your own life to learn and grow in every dimension. Don't ask for praise, ask for constructive criticism. Listen to it, and then change your behavior and find a way to improve your deficiencies through experimentation and feedback.

This might sound difficult, but there is tremendous freedom in this humble mindset, because learning never ends. You need to appreciate that your profession has been commoditized. I don't care if you're the best doctor, lawyer, professor, podcast host, anything, there's someone who is younger, better looking and smarter who can do your job at a lower price.

Let's move on to the relative importance of hard skills versus soft skills.

In my research, I found that hard skills, like aptitude, explains only 15% of an individual's success. That leaves 85% of what makes a person successful based on soft skills. So why are hard skills only 15%? Because in your profession, the hard skills are commonplace. Let's use neurosurgery as an example. Let's say the hard skill in brain surgery is knowing how to cut open the brain and remove a tumor. Well, every trained brain surgeon can do that. In neurosurgery, those surgical skills are a commodity and every day, another skilled physician is being trained in that field using the most advanced techniques.

Even if one neurosurgeon is better than another, the end user, the patient, doesn't know the difference anyway, so that's why it's commoditized. And that's true of every field.

The soft skills differentiates the good from the best, especially in the service economy. And the most important virtues are trust and likability. Those things can never, ever be commoditized. If you are someone who people trust and are easy to love, then your relationships will blossom and this is where the game is really won or lost.

Not to say you can't be successful, but this is the difference between a very good basketball player and Michael Jordan. So, to help you focus on your soft skills, I developed this very simple, easy to remember, acronym. It's called AWE, A-W-E, AWE.

A, authority, W, warmth and E, energy. Let's break it down. A, authority. You need to speak with authority, and that means you need to sound in control using your own voice, body language, and your own emotions to define your message. If you are not connected to your own message emotionally, nobody else will be, and you've lost your authority. If you have authority, then your message can be trusted and you will sway your audience. If you lack authority, your message will be rejected even if you have the better argument or the better product.

And, authority is something that can be taught. It can be learned. It can be practiced and it can be mastered, because it can be broken down into small parts. So, learn it, practice it, master it, and then just do it.

Let's move on to the W, warmth. This is all about empathy and making the other person feel understood and acknowledged. The way to do that, use appropriate body language to show your openness and your own vulnerability. If you don't let the person in to let them know who you are, they're not going to trust you and you're going to lose that W, warm trust. How do you do it? Listen to others. Your whole job is solving everyone else's problem in every situation. You do that, you're a winner. Show your willingness to acknowledge a different perspective, because the only perspective that really matters in problem solving is their perspective.

And sometimes an admission that you might be wrong, shows your own strength and not weakness. And you're listening to them, might convince you that their problem was different from what you thought it was when you first started on this process. So, that desire to solve problems with the best solution that isn't your idea is also very powerful. And to do that, you can use self-deprecation and openness, and that's going to build trust. And at the end of the day, this is called servant leadership. It's very powerful.

Think about the finest politicians, managers, and actors. They all have that incredible warmth to build that trust. Think of Bill Clinton, Ronald Reagan, Jamie Dimon, Tom Hanks, just to name a few. Like authority, warmth can be learned. If you want to, you can improve your warmth by adjusting your body language, your smile, your open mindset, and that will lead you to be more likable and more trustworthy.

Energy. I want your presence to be a wow. There are times for high energy in communication, and that means appropriate modulation of your tone, your gesticulation, your volume. Positive energy, it's contagious. It increases confidence, and then when you need to, you bring the energy down when you're listening, caring, self-reflection, and if you control those levels through the appropriate moment that's essential to success.

In my own career as a talent agent, I've had many clients in broadcast journalism. I've seen those who go very far to the top and those who stay mediocre. And it's not a difference in work ethic, intelligence, any of the things that you might think are important when you're going through that treadmill of schooling. They are important to get you a seat at the table, that's the 15%. But what distinguishes the good from the okay? Why are Walter Cronkite, Peter Jennings, Katie Couric, Barbara Walters, household names, but your local newscaster is relatively unknown? It's because of AWE. The real winners, have authority, warmth and incredible energy. And those are the soft skills that can be taught and mastered, and that's what we'll talk about today.

Larry Bernstein:

Fantastic, Steve. My first question is about Tom Cruise's character in the movie, *Magnolia*. Cruise plays a motivational speaker that uses extraordinary energy levels to inspire people. Is that too extreme a version of what you are recommending?

Steven Herz:

The way I look at energy, it's not an outward thing. It's a dynamic thing. Say it's half time of the biggest football game that you've ever coached in your life and you're down seven to nothing. That's when it calls for that crazy, high energy, Al Pacino speech, to really just get somebody so fired up. And maybe the Tom Cruise *Magnolia* thing is what you need in that moment. This dynamic requires a level of understanding of the audience that you're dealing with.

And sometimes you might have that very rah-rah, high-energy type of outward communication, followed by a very intense listening where you're not saying anything. That low energy, that total attention you're giving to them, that's going to fire up the other person in a very different kind of way, but achieve the same energetic result that you want. And remember, what the football coach is trying to do, is he's trying to get the best result, not for himself, but for his team. And that's the kind of thing you have to be thinking about when you're communicating with someone else. It's not about you. It's about what result do you want, that you know they want.

Larry Bernstein:

As a talent agent, you coach clients to be their best. You use an example in your book of a local broadcaster who desperately wants to break onto the national stage, but he is just missing something. I'm interested in how to access constructive criticism to get better.

Steven Herz:

Well, ego is a problem and it's certainly a problem for people that work in a high-profile field or someone who's making a lot of money. My book is called, *Don't Take Yes for an Answer*, and the most important word is "Take." It's your job, as the person who wants to improve, not to take that Kool-Aid and not to take all the positive feedback in. You have to have a mindset that you could always do better at anything you're doing tomorrow than you did today, regardless of the level of success you have, is what propels the good to the great, and the great to stay there. And that's rare.

It's not to allow yourself to say, "I'm the biggest anchor in Columbus. I want to get to NBC, CBS, CNN, whatever." It's going to require me to know that I'm not at that place yet, and I know I can do better in what I'm doing. And unless the person first has that mindset shift, it's very hard for anyone to coach them, and to open that window to have that improvement happen.

We both agree on Michael Jordan being the best ever. He came to the table as a five-time MVP, continually wanting to get better. He didn't think his game was as good as it could be. Think about that. If that mindset existed in everybody around the world, think of what we could achieve.

Larry Bernstein:

I loved the 10-part ESPN series on Michael Jordan called, *The Last Dance*, that was released at the beginning of COVID. The show had a big effect on me. And in the most emotional impactful scene of the entire series, Michael mentioned that he was really tough on his teammates and that there was no love. His colleagues viewed him as mean-spirited and aggressive. And the moderator asked Jordan what was the personal cost of his belligerent behavior. And Jordan became so emotional that he had to stop the tape.

Steven Herz:

Yes.

Larry Bernstein:

Was that a failure on Jordan's part in building comradery and team skill building? How can management bring out the best in its people without eating yourself alive like in Jordan's case?

Steven Herz:

Well, it's interesting. Sports is unique because there's a scoreboard at the end of every game. When you go home from work, whether you're a lawyer, doctor or you're a teacher, it's not like you say, "Oh, I won that game today."

That's why in sports it's easier to cut someone than to go into a company and just say, "Hey, you know what? You didn't make the team. You're going to junior varsity."

Larry Bernstein:

I want to go back to broadcasting. Barbara Walters was one of the greatest journalists in television. You mentioned in your opening remarks key soft skill attributes like voice, body language and warmth. Barbara had some of these characteristics, but she also had a speech impediment. I'm wondering how she compensated for her speech impediment with her other skills?

Steven Herz:

Well, I think Barbara was hardworking and incredibly competitive. She was probably the closest thing that journalism has had in the last 50 years to Michael Jordan, and her desire to win. And she did have her own scoreboard, the ratings for her show and how famously competitive internally at ABC with Diane Sawyer for the biggest gets. And, she worked very hard on soft skills, of cultivating those relationships off the air with agents, managers, lawyers. She's famous for having these big dinner parties and inviting all kinds of different people who maybe weren't necessarily the people she wanted to interview, but they were the people that would help her get there. And so, she did use her warmth, authority and energy to cultivate all these off-air qualities that benefited her in her on air career.

Larry Bernstein:

Your book Don't Take Yes for an Answer reminded me of Dale Carnegie's work, *How to Win Friends and Influence People*. How would you compare and contrast what you recommend relative to what he recommended about 85 years ago?

Steven Herz:

I think the difference is that Dale Carnegie was writing a very general book with little nuggets of wisdom, which is a great book. I loved it. This book is trying to get more granular. Think about authority, warmth and energy. And apply that in a subatomic way. And if you can do that, and you can improve those three things, you can have great results, relative to your already great hard skills.

Larry Bernstein:

My wife took the Dale Carnegie class and she felt it was incredibly informative, and it compared favorably with her undergraduate experience at Wharton and her NYU MBA. She learned to improve her public speaking for her equity research recommendations on the morning broker calls. The second thing she realized was at corporate events, everyone was too scared to sit next to the CEO, and you should take that seat. And she also learned that a person's name is very important, and you have to get it right, because if you get it wrong, you're a fool. Steve, how do you incorporate Dale Carnegie's ideas.

Steven Herz:

Dale Carnegie's entire lesson is the same thing that I learned in improv training, which is "yes, and." Right? There's a lot of power in acknowledgement. And I think that's what Dale Carnegie is saying. If you know my name, you're acknowledging me. You're showing me that I care in this world, that I matter, think about the opportunity that exists to grow that relationship. Conversely, if you don't show me right away that you matter to me, then there's very little room to go. And I think that's the brilliance of Dale Carnegie.

Warren Buffett studied under the great Benjamin Graham, value investor at Columbia University Business School. And if you go to his office in Omaha, Nebraska, he doesn't have his diploma on the wall from Columbia University. He doesn't have his degree from University of Nebraska. He has one diploma on the wall and that was the \$100 Dale Carnegie class he took in the 1950s. "Yes, I learned the 15% from Benjamin Graham. And that was really good. But the more important thing I learned was the 85% from Dale Carnegie. Full stop."

Larry Bernstein:

Yeah. In your opening remarks, you mentioned that you need constructive criticism. How should you get that as a practical matter?

Steven Herz:

Find people you trust, and find people that are really invested in your growth, because, maybe this was Jordan's problem with his Bull's teammates, is that, I believe very strongly in this whole concept of "tough love," right? But I think maybe they should have called it, "love tough," instead of, "tough love", because truly the foundation of tough love has to be love. If you don't have the love first... And the way I define love is, I want to see you really succeed in this world and reach your potential. If you have that foundational love, then you can build the tough.

And if you're listening to this, and it strikes you as something that makes sense to you, you can open the door for that kind of relationship. But if someone else is initiating it, and you haven't opened the door to that, it just changes the whole dynamic in the relationship. Now, if, for example, Toni Kukoc had gone to Michael Jordan and said, "Listen, Michael, I'm frustrated because I keep picking up all these fouls early in the game. I don't know what's going on here." And Jordan could then say to him, "Well, Toni, the reason why is because you're just not moving on defense the way you need to be moving. Look at the way I do it. And you're not as fast as I am, or as quick as I am, but you can replicate a lot of the same skills that I

have cultivated, and you can be a better version of yourself." And then, Kukoc really wants to improve, and then, in practice, Kukoc picks up an early foul against Bill Cartwright or whoever. Then Jordan can say, "Toni, you're not doing what we talked about. You got to slide your feet this way." Now, it's a very constructive conversation. It might be just as harsh as it was, but with that foundational underpinning, it's a very different dynamic. So that's what I think you should be looking for.

Larry Bernstein:

This is a risky question. I run a podcast. I'm looking for constructive criticism. How can I improve What Happens Next?

Steven Herz:

You have a great show, and I think the ancillary marketing around it, and some of the targeting of the audience is something that could be improved. The other thing I would say to you is, people want a point of view. They want you to inject your opinion. If I say something and you just disagree with it, challenge me, because you're smart enough to take on anybody you're talking to, and that's rare. I feel like you're wasting that capital.

Larry Bernstein:

You're right. I do not express an opinion on the show, because I don't think my opinion is what's important. As a journalist, I ask you questions with the hope of further clarifying your ideas for the audience. You're the expert on today's program. I am not a specialist in the area of authority, warmth or energy. I view my job is to probe, and then let my audience make their own decisions based upon the quality of Steve's arguments. You mentioned that journalism has moved towards highly opinionated commentary. Why do you think that's good? I recognize that it sells. Is it enough that it sells?

Steven Herz:

No.

Larry Bernstein:

Because journalism was supposed to be impartial, and that's changed in the last 10 to 20 years.

Steven Herz:

The way that you frame things is an opinion. And so, it can be very subtle. Sometimes I think it's better for the audience if they actually see what's really being done rather than being obfuscated from them. Now, I'm not suggesting, by the way, that every journalist, or even you, for that matter, needs to be Stephen A. Smith or Skip Bayless or highly opinionated, in the way that they go about their job. What I'm suggesting is a healthy, constructive dialogue. I'm not suggesting you should be poking the bear, just for the sake of it.

Larry Bernstein:

Humbleness was a theme of your opening remarks, and I think what you meant by humble is to be open to criticism, recognize that you're not perfect, embrace it. How should we do that? How do we embrace our humility?

Steven Herz:

Maybe the most important life lesson I've gotten in the last 15 to 20 was from my wife. She has taught me that you're not the center of the universe and that you're mortal. And, I think that existential

humility, is a very healthy way to go through life. Even if you make a billion dollars or you become the king of the world, you're still mortal.

Part of that existential humility comes a gift that you got to be here on this earth and to use that gift for the best good you can provide others. And if you have that outward mindset, you're going to see yourself as a useful tool for others. And that's where I think it really ties into this idea of servant leadership. And I think it's very ennobling and freeing.

Larry Bernstein:

I want to go back to Michael Jordan because I think Jordan combines both external feedback with internal observations on his weaknesses. I remember Jordan spent an off-season working on improving his defense, and he set himself a goal to be the best defensive man in the league, so he could be both the best offensive and defensive player. It was a remarkable goal, and it also reflected his desire to be better. Your framework seems to be built around external feedback and external teaching. How should we think about internal observations to make yourself better? And then how do you build those skills once you recognize that you lack them?

Steven Herz:

Well, my framework, it's both external and internal. I think sometimes, you can't get the self-awareness unless someone else points it out to you. I play golf, I play tennis, and I get frustrated in both sports, and often, either a coach or someone I'm playing with will say, "The reason why you're doing this is because you may not even be aware of this, but you have this habit, and I had no idea I had that habit.

I don't live my life in front of a mirror. None of us do. So, you really don't know. And the same is true of our communication. For example, I had this bad habit. My wife said to me, "You keep your arms folded all the time when you talk to people and it gives you a very bad aura." And I said, "Wow, I never knew I did that."

I started to look around the room, and notice who had their arms folded. And it became this magical thing. Now, whenever I see somebody with their arms folded, a red light goes off in my head. I cannot sit with my arms folded for more than three seconds without unfolding them, because I'm so aware of that now. And I've done similar things with other bad habits, and I think that any bad habit you have, whatever it might be, if you start noticing in other people, once it's pointed out about yourself, you're going to change, almost magically.

Larry Bernstein:

How do you solicit constructive criticism in a way to maximize its value?

Many corporations now have 360-degree review, what do you think of it? It's annual, it's systematic. Does it work? Is it effective? Is it a waste of corporate resources? Should we be doing something else that's more productive, more in the moment, versus something that is regimented and run out of HR?

Steven Herz:

I think 360-degree reviews are, by large, a waste of time. I think they're perfunctory, I don't think they achieve much, and I think they come at it from a point of view of a top down mentality even though it says 360 degrees. What I'm trying to achieve here is to shift a mindset, right? The only person that matters in the world is you. It's your life, you have one life to live. It has to start with you. The company's not going to do it for you. But if it starts with you, you're not going to be satisfied with getting all A's on your report card professionally, dig deeper and say, "Wait a minute, I don't deserve an A in this

category." And a lot of companies don't want to give you harsh feedback or any feedback because, frankly, they don't want to get sued and that ability to be great and want to be great has to start from the individual otherwise it's not going to work.

Larry Bernstein:

In your opening remarks, you said the best and most important virtues is building trust and being liked and that Dale Carnegie book said you have to win friends. How do you do that? How do you be perceived as someone who's trustworthy? How do you build friendships? How do you be loved?

Steven Herz:

Love, be a friend, do things for other people and don't keep score. That's the number one thing I would say to people. I've done hundreds of favors for people, and many of them have never done favors for me. I don't care. And then there are other people in my life I probably haven't done very many favors for, if any, and they collectively have done hundreds of favors for me over the years, and I think they don't care because I have been a giving person in many respects, and I've taken a lot in many respects. I've never kept score with the takers or the givers and I think, in the aggregate, people perceive you a certain way and I think that's a big part of why I've had some success.

You have two types of relationships. There are transactional relationships versus real relationships and I'm not interested in transactional relationships. I never have been. I don't want to live like that. And maybe some would argue that in the short run, or even in the long run, I could've been a lot more successful but I think you'll find a lot more joy in your life if your relationships are not transactional.

Larry Bernstein:

I think that's wonderful. At the end of every show, I end in a note of optimism. Steve, what are you optimistic about?

Steven Herz:

We have all these people that are drinking their own Kool-Aid and I think there's a lot of people out there that are sick of just being told what they want to hear and the more that mindset takes root and the more people become their own contrarians in every aspect of their life, we're going to be better and we've gotten to the point where I think we're due for a real contrarian turnaround and I think that's going to have tremendous results for America and for the world. And I'm really looking forward to it.

Larry Bernstein:

Wendy Cromwell is our next guest. Wendy founded Cromwell Art nearly 20 years ago. She is more than an art advisor, she is an art collection builder, and today we are together at the Miami Art Basel Fair.

Wendy just told me that after taking a year-off from COVID, the industry has changed because most art works were bought entirely from digital online viewing rooms.

Most of the best art at the fair sold in advance online or sold during the fair's first day when VIPS were given exclusive access. But luckily for the public, the dealers brought a lot more art.

Wendy what was selling?

Wendy Cromwell:

There are definitely a lot, a lot of things transacting below \$100,000. That is the sweet spot. And that's interesting, because Miami started out as a higher-priced fair.

Larry Bernstein:

I'm surprised because the stock market is at an all-time high?

Wendy Cromwell:

That's true, just not at the Miami Art Basel Fair. Those are bigger numbers are migrating to auction, seeing huge multiples at auction, and what you're seeing at fairs is primary material sold directly from artists to their galleries. The big spenders are going to auction, and maybe Art Basel in Basel, and Maastricht, the fair that happens in The Netherlands.

The younger collectors in Miami, that's buying art by younger artists, and the work is much less expensive. There's a real frenzy for a work by Black artists, African diaspora artists, work by women artists, Latinx artists. Those were the hot sectors of the market. A lot of figurative art, body representation, very popular right now.

Larry Bernstein:

What were you surprised by at the show?

Wendy Cromwell:

I'm surprised I didn't see any Chinese buyers.

Larry Bernstein:

Do you think it's just to COVID they didn't make the trip?

Wendy Cromwell:

I think the art is coming to Asia. They don't need to come here anymore.

Larry Bernstein:

Who were the dealers who came to the Miami show? I saw all the American dealers were here.

Wendy Cromwell:

Some Europeans came. The older dealers sent their younger staff. And I noticed that there were fewer older collectors. It was a very young crowd.

Larry Bernstein:

Does the new generation of buyers have different art preferences than my generation?

Wendy Cromwell:

The younger generation is interested in issues more than conceptual ideas about art. Art of the past 50 years has been largely driven by artists who are interested in the history of painting.

There's been a march towards abstraction ever since the Renaissance. Perspective was invented, we looked at lots and lots of paintings throughout the Renaissance: landscapes, portraits with interiors behind them, all possible through perspective.

Larry Bernstein:

A bowl of fruit.

Wendy Cromwell:

A bowl of fruit, flowers, and then there's World War II that destroy everything. Art doesn't know what to do with itself after World War II because what has happened is so horrific. It's hard for artists to even put it into pictures. So, art becomes abstract. It's just the artist standing in the studio with the canvas or with the marble, and making shapes, and feelings, emoting through brushwork. In the 2000s, there's a renaissance, with that, and young artists are really interested in minding abstraction.

And then, politics becomes more polarizing in this country and they want an issue they can get behind, the environment, climate change. The art world is often a very liberal, lefty kind of world. And collectors, young collectors, are equally excited by these issues. And, that is the dominant genre right now, is issue-based art. And that's what was selling at the fair, big time.

Larry Bernstein:

When collector's buy very expensive art, they want to enjoy it, but there's also a desire to make money.

Wendy Cromwell:

Timing is everything. It's just like your business, you know? There's a moment to buy and a moment to sell, if you're in it for the financial aspect. And then you have to pay a big capital gains tax and blah blah blah. The best sort of collectors are the ones who buy and hold and don't really think about market gyrations and don't try to time the market. But sure, you can hold too long.

But I do believe that once an artist becomes famous and is in museums and is highly collected and respected for making a mark, that the art will eventually come back.

When I was at Sotheby's in the '90s, impressionism fell out of favor and the shift went very much to contemporary art. But, guess who's buying impressionists now?

Asian collectors are really excited about that work. And they're perceiving it to be a bargain. So even Old Master's is getting a bump up from the Asian market.

Larry Bernstein:

Let's say you're a young person and you want to put your toe in the water and buy something. What is a reasonable price point for entry? Would you recommend sculpture, paintings or prints? Would you recommend an avant-garde artist who isn't well known in order to get a value play? How do you make these decisions?

Wendy Cromwell:

I tend to build collections that have all these different mediums in them.

Larry Bernstein:

I saw some very pretty prints at the Miami Art Basel Fair, including Josef Albers, Sol Lewitt, and Bridget Riley all of whom are abstract artists that focus on geometric shapes. Now, what's interesting about prints, is that you can buy a very famous artist and a pretty image at a reasonable price.

Wendy Cromwell:

And prints go up in value tremendously, so it's an easy access point for people who are starting to collect. But you have to choose well in the print world, because there were artists who made prints that didn't have a lot of integrity in terms of how they were made. They were basically made to just feed demand and they never really went up in value. But Ruscha, for example, Ed Ruscha, you can buy a great print by Ed Ruscha for not a lot of money. His paintings sell for millions of dollars, because he was a true print maker.

You can look at works on paper, which are a lot cheaper than paintings. I always think that's a great way to get involved. If you think of Leonardo and Michelangelo, artists have always made drawings and they're highly collectible and they go up in value as well. So, drawings are a great price point for young collectors.

Larry Bernstein:

Is it dangerous getting a painting from an unknown artist?

Wendy Cromwell:

It's speculative to buy anything by an unknown artist. And it's also a lot cheaper, so your risk is really low. So, you spread your risk. There are two ways to collect. You can take a chunk of money and buy one thing. Or you can take that same amount of money and spread it around five younger artists who you've never heard of. But if you know what you're doing and you understand the metrics of how art increases in value, then maybe one out of that five is really going to be a home run.

Larry Bernstein:

But you never know.

Wendy Cromwell:

I don't know, but I do know, because I'm in the world and have my ear to the ground. And the art world's like a big insider trading thing, it just is. The people who are buying, the influencers, the museums, the trustees who are buying, are sort of this cabal of people. The dealer who's representing the artist who acts as their agent, markets them, gets them into museum shows, that's all part of the metrics of how I make decisions based on emerging artists. But I have to like the work and think it's good.

Larry Bernstein:

Can you use George Condo as an example of the success progression for a living artist and how the art community coalesced around him?

Wendy Cromwell:

Condo emerged in the '80s along with Keith Haring and Jean-Michel Basquiat, both humongous, '80's superstar artists. And George Condo was absolutely part of that world and living in New York with those artists. Unlike Basquiat, who was an untrained artist who was inspired by the street, and Haring who was a street artist. "Street," meaning like a graffiti artist, Condo was a highly trained classical musician. He played guitar and he was obsessed with music and art and culture. And, he was a painter of imaginary portraits of historical looking figures. And he didn't really fit into the art world in New York in the '80s, no one was really buying his work. And he was on the scene showing, but not commercially successful. And he felt more aligned with what was happening in Europe. So, he moved to Cologne, which was *the* city.

Larry Bernstein:  
How did his art take off?

Wendy Cromwell:

Well, he had a gallery in New York. He had Pace Gallery representing him. And Pace was a major gallery and still is. And they sold his work, you know, they placed it, placed it with all kinds of collectors who then started to sell it off at auction when he wasn't really commercially viable and had left the scene in New York and was in Germany. People started to dump it because they thought it wasn't worth anything. I was working at Sotheby's at the time and couldn't give Condo away. We were like, "Oh, not another Condo. How are we going to sell it?" But I remember Pauline Karpidas, who was and still is an incredibly important influential collector.

She was buying them from the auctions. I noticed she was buying them up for no money and I thought, "Oh, that's interesting. She's brilliant and I really like her taste." And I just filed that away. And then, George moved back to New York around 2000, and he got picked up by a new gallery. And that gallery had the mojo at the time, Luhring Augustine. They were representing Chris Wool and a bunch of other really important artists. They had done major shows with Gerhard Richter and Sigmar Polke. And they gave George a show and George happened to knock it out of the park.

Here was a figurative painter, and we were all burnt out on abstract art, and here's George Condo in his studio, man against the canvas, painting these crazy European figurative paintings that look like Manet. They look like Velazquez. They look like Francis Bacon. They're incredible figurative paintings. And I said, "This is going to be the beginning of George Condo's rebirth." And so, it was the cabal. It was people like Luhring Augustine showing the work. Their coterie of buyers like Pauline Karpidas buying out this show. And then I noticed after the Luhring Augustine show that he was going to have a show with his German dealer.

So, I asked the German dealer to see images. And I showed them to a client. And I said, "This guy, Basquiat, Haring. Those were his two biggest friends. He was one of the biggest artists in the '80s. And he disappeared and went to Europe, and now he's back. It's incredible." PS, my client owns Basquiat and Haring's work. So, I was like, "Why isn't George in your collection?" So, he got on a plane and he flew to Germany. And he said, "I got here too late. MoMA already bought one." He's like, "Should I buy this one? It's the last one left in the show. LACMA already bought one." LA Museum. I said, "Yes, you should buy that painting. Buy it all day long." So, he not only got that, he got another painting that wasn't in the show that was just in the back room.

And from that moment, when I heard, "MoMA bought," I said, "Game over. They've never owned Condo. They own Haring. They own Basquiat." And then we sat in a conversation with George's dealer. He left Luhring Augustine, because Luhring Augustine wasn't doing a good job managing his output. And he went with Per Skarstedt, a smaller gallery. And I was talking with that dealer and he said, "Glen Lowry came by from MoMA and said to me, 'We missed the boat on Basquiat. We had to get that from our trustees. We're not going to miss the boat on George.'"

But also, the art itself was so good. Like, I don't even care at this point that MoMA was buying it. I'm just so excited about what's coming out of the studio. It's like nothing I'm seeing before. And here's a guy with a 25-year track record.

Larry Bernstein:

My son asked me the other day about NFTs and I told him that I didn't get it. What are NFTs?

Wendy Cromwell:

So, NFTs are a way to identify a unique quality to an image that exists online and that unique quality is ownership, blockchain ownership. So, you get ownership of something that exists online and you have the right to use it in your virtual room associated with yourself as an avatar. It's a digital entity that you own, but it's digital. So, everybody can have it. Everybody can use it, but you own it. It's a tradable thing.

Larry Bernstein:

I still don't get it.

Wendy Cromwell:

Well, let me help you a little more with that. I think it appeals to people who believe in democratizing ownership of things. So, you can own it and you can fractionalize ownership in it. You can own something that other people can use.

Larry Bernstein:

You know, there's a tangibility to a painting. It's physical. You can get in front of it. You can touch it. Something that's digital seems odd to me.

Wendy Cromwell:

To you, but not to kids who've grown up on the internet, who live in a virtual reality space and who socialize in a virtual reality space. To have something that you own-

Larry Bernstein:

You keep going back to owning it. I want to see it. I want to feel it. I want to appreciate it. Why do I have to own it? And why does this generation want to own it so desperately?

Wendy Cromwell:

So, in every generation, there are people who don't want to own things and people who do. And I think with NFTs, the one thing that freaks me out is that their nature is commercial. Tangible art objects that's made by an artist is not necessarily made as a commercial object. It can become one, but it's really made as a creative gesture, whereas NFTs are truly minted to be objects that can be bought and sold. So, to me, that takes a little bit of the appeal away.

Larry Bernstein:

What is the must-see museum show that is up right now?

Wendy Cromwell:

If you missed the Jasper Johns show, the show that's currently up at the Whitney and also in Philadelphia, you really missed something special. It's a gathering of all the art that's been curated by two brilliant curators, and you're seeing work that's in private collections that you can't normally see. It's a once in lifetime opportunity.

I'm a Jasper Johns' fan and he's one of the most enigmatic minds to ever paint. And each painting is a mind teaser. He doesn't reveal a lot about himself in his work. He's also technically extremely gifted, and visually I find the work really attractive. And the abstract hegemony of the art world, was broken by his work.

Let's say that every time I go to an art fair, I saw a Rashid Johnson painting. I liked that painting, but I saw a similar painting by the same artist in May at the Frieze New York Fair.

If you see an exhibit of this artist's work 50 years from now, you're saying to yourself, "I've participated in seeing this work in settings that are purely commercial." And it's easy to say, "Oh, it's repetitive," or, "I'm burnt out on this because I've seen too many art fairs." But, in 50 years' worth of work, when you see it curated in a museum exhibition, you're going to see how it stood for a moment in time.

You know, it's tempting to look at the work and say, "It's repetitive because we're seeing in all these commercial settings in an art fair," but in time with a museum exhibition, there's an opportunity to really summarize the work and see the contribution and the importance of the contribution, and say, "This is somebody who really stood for a revolutionary moment in time." And I think those are the artists that hold their value for the long-term and continue to go up in value, conceivably forever.

Larry Bernstein:

I end this program on a note of optimism. Wendy, what are you optimistic about?

Wendy Cromwell:

I'm optimistic because I love art and artists never stop making art, so I'm optimistic that there will always be something new to see and something new to inspire me. I love that I can read the world through the eyes of artists, so I'm really optimistic about being able to do that for the rest of my life.

Larry Bernstein:

And beyond. Wendy, thank you so much.

If you are interested in listening to a replay of today's What Happens Next program or any of our previous episodes or if you wish to read a transcript, you can find them on our website [Whathappensnextin6minutes.com](http://Whathappensnextin6minutes.com). Replays are also available on Apple Podcasts, Podbean and Spotify. I would like to thank our listeners for their time and for engaging with these complex issues. Good bye.