

# Frontier Myths and High Tech Boom Towns

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Cyberspace and more specifically the internet is imagined by users and touted by corporations as the coming millennium's final frontier. As an ideological construct, the "frontier myth," undergirds the myriad of ways in which the discourse on the usage, promotion, and production of the internet, a global multi billion dollar industry, is deployed. As a hightech infrastructure, the internet not only brings together on a global scale institutions, businesses, governments, and individuals, but also forms enclaves of highly skilled technical and creative workers who create the technology and content comprising the internet. This paper examines the formation of Manhattan's burgeoning industrial sector known as Silicon Alley which provides new media services such as content, CD-ROM, and web site design to a myriad of institutional and corporate clientele. As an agglomeration of small entrepreneurial start-up companies in old factories and modern high-rises, Silicon Alley stretches from Madison Square to lower Broadway. With the recent explosion of growth in this industry, the planned renovation of spaces and whole districts of the city, the installation of high speed telecommunication infrastructure, the adaptive reuse of buildings, and the subsequent dislocation of previous tenants—residential and commercial—as the rent structure changes, profoundly affects who lives and works in these areas of the city. These transformations can be seen as following already established processes and patterns of gentrification. This paper contends that the boosterism of the cyber frontier invades and propels the discourse of the urban redevelopment

## CYBERSPACE: THE FINAL FRONTIER

In its present condition, Cyberspace is a frontier region, populated by the few hardy technologists who can tolerate the austerity of its savage computer interfaces, incompatible communication protocol's propriety barricades, cultural and legal ambiguities, and general lack of useful maps and metaphors.

— Mitchell Kapor and John Perry Barlow, "Across the Electronic Frontier," funded by the Electronic Freedom Foundation on the EFF website

On the eve of the new millennium, the digerati buoyantly pronounce the coming of a new frontier, this time a virtual one (as declared by the above epigram from the Electronic Freedom Foundation (EFF).) Similarly the Washington, DC-based Progress and Freedom Foundation (PFF), a private think tank that claims non-partisanship, though Newt Gingrich is a prominent supporter, posts the following manifesto on its web site:

[A]s America continued to explore new frontiers—from Northwest Territory to the Oklahoma land-rush—it consistently returned to this fundamental principle of rights, reaffirming, time after time, that power resides with the people.

Cyberspace is the latest American frontier. As this and other societies make ever deeper forays into it, the proposition of ownership of this frontier resides first with the people and is central to achieving its true potential.

— Ester Dyson, George Gilder, George Keyworth, and Dr. Alvin Toffler, "Cyberspace and the American Dream: A Magna Carta for the Knowledge Age," funded by the Progress and Freedom Foundation on the PFF website

Comprised of the upper echelons of America's conservative politicians and academics, the PFF positions itself as the champion of the Founding Fathers' belief in progress—a conviction that encouraging the nation's creative, intellectual, cultural, social, moral, geographic, economic, and technological development would ensure a prosperous future for American civilization. In ideologically charged phrases positing the "ownership" and "power" of cyberspace belongs "with the people," the PFF constitutes internet surfers as a polity brought together to fend off any challenges to their freedom and rights of virtual property. "We the people," interpellates a homogeneous social body. In such exclamations social conflicts provoked by differences in age, class, race, ethnicity, gender, sexuality, ability, political affiliation, and so forth are rendered invisible. The overzealous, patriotic rhetoric of both the PFF and EFF, a comparative organization with left leanings, casts the virtual space of the internet as America's newest frontier abundant with a wealth of possibilities—some personal and others profitable.

Historically, the frontier myth functions as ideology through powerful narratives and persuasive representations. Embellished in countless stories, histories, and paintings the frontier narrative conjured up a sublime vision beyond the nation's mutable western boundary where nature abounds and the land is vast, plentiful, and most importantly, available. I do not wish to imply that the myth of the frontier alone instigated land rushes or compelled Presidents to annex territories. Rather, it served as a means for the nation and its populations to form and understand its own identity. In contrast to the supposedly unified social space of the nation, the liminal space of the frontier was constituted as both threatening and alluring. This economy of desire drew Americans into the regions comprising the frontier, thereby expanding the nation's boundaries. Various images represented the frontier as a horizon of possibility conquerable through personal initiative. An individual would undertake the risks of conquest in order to achieve some personal, typically economic gain. The frontier myth also screened out those process by which and by whom—the state and ruling classes—its space had already been measured and quantified by surveys such as the Jefferson Land Ordinance initiated in 1785. The myth's reception forged social unity of an American nation and its citizens, while repressing internal friction and antagonisms (such as the class, ethnic, and racial

unrest in Eastern metropolises) and concealing social groups who produce those conflicts (for example the native American's who valiantly fought to retain control of their lands.) The frontier myths ideological effectiveness, then, was that it at one moment represented an outward horizon of possibility conquerable by personal ingenuity and risk (a liberal individualism) and at the same time fashioned a space of social cohesiveness (a democratic polity governed by a state serving the interests of ruling elites) that legislated to obfuscate inequalities and social injustices.

But how does the frontier myth, the same myth that galvanized an American polity and cohered its territorial expanse and seemingly underpins the war of rights and conquest in cyberspace, operate within the contemporary spaces lived in by those who create and orchestrate internet content? The frontier myth in this current deployment is a potent ideology which undergirds those forces which can profoundly alter the urban and architectural landscape of cities like New York.

### HIGH TECH BOOM OR BUST

SPECIAL REPORT: It's 1995, and suddenly New York is Cyber City

— cover, *New York Magazine*, November 13, 1995

Emblazoned across the cover of *New York Magazine* a neon banner proclaims "HIGH TECH BOOM TOWN."<sup>1</sup> For the background image, Daniel Burnham's Flatiron building, an icon of early styling in skyscrapers, sprouts from an enormous "@" character, an icon of contemporary internet architecture, photoshopped onto the asphalt in front of the building. Once housing the offices and operations for the rising fortunes of robber baron capitalists, the thin triangular mass of the Flatiron was once the mast head as Manhattan's business district as it steamed into Madison Square—then at the turn of the century an entertainment district. Eventually as the area transformed into a garment manufacturing center, the Flatiron soon became a relic of more prosperous times as the business district pushed up into midtown by the 1930's. In 1996 *New York Magazine's* ebullient headline announces that Madison and Union Squares and elsewhere in the lower Manhattan has undergone over the past two years, an urban renaissance, initiated by the blossoming of 700 small entrepreneurial concerns in these neighborhoods. These fledgling companies specialize in what is termed new media technologies. They produce and maintain for a myriad of corporate, state, and institutional clients, web page designs, entertainment software, and content for on-line internet services. Together they comprise a new high-tech industry officially christened as Silicon Alley.

As a magazine that peruses and prognosticates "what's hot and what's not" on Manhattan's cultural scene, *New York's* article divulged the spoils of this new boom in high tech services: promises of striking it rich as small companies are bought out by old media mammoths like a TimeWarner or acquired by a telecommunications giant like AOL. The article featured slick, color saturated portraits of young, well educated creative powerhouses in their expansive lofts. It reported on the fashionable watering holes, cyber-cafes, and networking parties, they frequent. This issue of *New York Magazine* gushed with the lore of great deeds in Silicon Alley's high tech frontier—it was myth making in process.

Indeed, Silicon Alley and new media culture was touted as hot property. A report the New York New Media Association (NYNMA) published in the spring of 1996, a report some contend obsolete as soon as it hit the media, stated that the new industry employed over 18,000 people with highest number of workers concentrated in an dubbed Silicon Alley. According to the study, in terms of employment new media is the city's fourth largest media sector behind advertising, magazine publishing, and film and video production. This widely circulated report, along with the *New York Magazine* article, and other national newspaper, television and magazine exposés utilized the banner Silicon Alley to portray a energetic, ambitious, and cohesive young industry.

But those who worked within the industry, within the new media frontier, knew otherwise. Many new media companies fold in less than six months. Besides the influx of established graphic designers and programmers, many of the lower strata of new media workers have recently graduated from colleges with liberal arts degrees or from local art school programs. New media's payroll is predominately white, young, and educated, with large number of women workers who are paid meager wages, toil long hours, and experience an exhaustively high rate of job turnover. Indeed what new media seems to rely heavily upon is a pool of labor between the ages of 22 and 32 who consider themselves to be creative rather than technical talent. The average salary of \$30,000 is well below the more established fields of publishing, television, and radio. In many ways these conditions typify an industry constituted on Post-Fordist practices of decentralizing of resources and atomizing labor pools into part-time employees. It would appear that hidden below the optimistic banter, this trailblazing new industry was fraught with old industry problems.

The statistics and charts of NYNMA's survey exemplifies some of the means through which a supposedly unknown industry had been scrutinized, quantified, and financially accessed by inquisitive parties. Such promising employment data of profitable new sector not only piqued the interest of established old media doyens, but also incited the attention of municipal authorities and real estate developers.

For insights into how Silicon Alley as a high tech industry effects urban space, we must first discern the differences between it and its Silicon landscape precursors. High tech enclaves such as the Silicon Valley outside of San Francisco near Stanford University and Rt. 128 outside of Boston near M.I.T., were created out of the postwar federal funding of technological development. These Silicon landscapes also prospered due to their proximity to highly specialized labor pools siphoned from top research universities nearby. To facilitate the movement of raw materials and finished products, as well as to transport those who worked in industrial plants, the US federal government undertook the construction of an extensive network of interstate highways. With this new public infrastructure of highways and telecommunications in place and highly profitable contracts to build a federally sponsored projects in the offing, fledgling companies such as Hewlett Packard and Raytheon flourished; these companies expanded into the powerful multi-nationals they are today. And even though Silicon Valley and Rt. 128 began as industrial sites outside of central cities, amidst this success and prosperity, office parks, commercial and residential development sprouted into cities themselves. Today these perimeter cities, what Joel Garreau has termed "edge cities" (also the title of his book whose subtitle is "life on the new frontier,") contain suburbanized versions all of the functions of core cities of San Francisco, Boston, Houston, and the New York metropolitan area.

Beginning in the 1950's this process of decentralization in which the middle-class, mostly white middle class, migrated out of central cities leaving behind poor and minority working classes, follows for Garreau, a long American tradition of "trying to create a new and better world—lighting out for the Territory, in the works of Huckleberry Finn. Its the new world where we've headed every chance we've had—for four hundred years."<sup>2</sup> Once again, the frontier myth "lighting out for new territory" heralds for a radical transformation in the geographical and social space of the nation.

Manhattan's Silicon Alley could be interpreted as a urban reiteration of these high tech enclaves—with important contemporary inflections. Instead of producing goods in centralized manufacturing plants subsidized and structured by state intervention, Manhattan's new media industry services the global and bifurcated flows of finance capital. And instead of suburbanizing the periphery by catering to specialized high tech workers and staff, Silicon Alley gentrifies the core city with a cadre of creative cultural talent—youth who see themselves as artists rather than workers.

In the Alley artists, allied with graphic designers, and programmers provide new media producer services to Manhattan's FIRE economy

(Finance, Insurance, and Real Estate). In her book *Global Cities*, Saskia Sassen defines producer services as those who organize economic exchange and “cover financial, legal, and general matters, innovation, development, design administration, personnel, production technology, maintenance, transport, communications.... etc.”<sup>3</sup> The location of such services depends on size and scope of work of the service provider. In the formation of Silicon Alley two factors converged in the same city. Manhattan brought together its large population of highly skilled, affordable creative talent, concentrated in NYC after the 80s boom in the art market. These corporations, especially in entertainment and media, needing to reach as many consumers as possible envisioned the rising popularity of the internet as a viable commercial venue.

But who benefits boom of new media madness? Are these the ragsto-riches fantasies of small start-ups like Razorfish, Metrobeat, or Total New York? Or are these stars-of-moment simply hyper links connecting not in cyberspace but in urban space, a series of architectural sites comprising a lucrative redevelopment scheme for lower Manhattan?

More an alley, a liminal space between buildings, than a valley, Manhattan's new media industry fills the chasm between the downtown and midtown business districts. Silicon Alley starts around the Flatiron district, snakes down Broadway through Union Square, drawing in the western blocks of the East Village, picks up Soho and Tribeca and terminates at the New York Information Technology Center in the canyons of Wall Street. For many small new media firms, the former manufacturing center of Manhattan around Madison and Union Squares offered reasonable leases which could be negotiated from month to month without typical credit checks necessary to acquire a primary lease. By the late 1980's this loft area had already attracted the photographic industry, as well as interior designers, graphic artists, and architects—new media merely added to the milieu of creatively based, producer services. To set up shop, offices were retrofitted with an infrastructure of high speed data cables and lines for fax, image, and data transmission. As this new industry blossomed, more companies moved into loft spaces in Soho and Tribeca transforming former art studios into computer terminal and T1 landscapes. In this informal corporate culture office spaces are often communal or live/work arrangements. These new media companies clustered together to forge a community of young entrepreneurs and workers.

In many ways the arrival of new media to Madison and Union Squares completed the processes of gentrification and redevelopment begun in Soho in the early 70's. The early vanguard of artists that sought spaces in which to create and display their art, found the lofts and store fronts of Soho ideal for such purposes. Since this subject of the art world and the transformation of the neighborhoods poor and working-class neighborhoods and manufacturing areas like the East Village, Soho, and Tribeca has been chronicled in several thorough studies by Rosalyn Deutsche, Andrew Ross, Sharon Zukin, Neil Smith and Cindi Katz, I will not go into extensive detail in this paper. However it suffices to say that artists have served for years as the gentrifying beachhead to colonize many poor neighborhoods in the interest of real estate development. In the late 70's and 80's, artists benefited greatly from the art market that blossomed under the patronage of a newly arrived transnational elite of art connoisseurs who moved into the city with the rise of New York as a financial center. This influx of a highly paid class of financial managers not only prompted the formation of a new urban culture, but also established an urgency for middle and high-end housing. Since most cities like New York have few undeveloped parcels poor, “inner city” neighborhoods became the target of residential “gentrification”—a process of middle class colonization poised as saving these dark, foreboding, ghettos from immanent destruction. Neil Smith brilliantly forges a connection between the historical myth of the frontier and these new urban frontiers, by writing:

the frontier motif makes the new city explicable in terms of old

ideologies. Insofar as gentrification obliterates working-class communities, displaces poor households, and converts whole neighborhoods into bourgeois enclaves, the frontier ideology rationalizes social differentiation and exclusion as natural and inevitable.<sup>4</sup>

These poor communities conceived as wild, unbridled urban frontiers became desired by urban pioneers—not the bankers and lawyers who will eventually settle into these neighborhoods, but by artists and the art community. And what many artist's failed to recognize, perhaps rendered invisible by the frontier mythology which tied into their passionate dedication to the creation “art” at all costs, was their role in producing social conflict through the displacement of working class communities.

In the 90s Silicon Alley, however is even more deeply imbricated within the flows of global capitalism, than the previous wave of artists. The process of gentrification begun in the 1970s continues, but under a different guise. Instead of residential property being colonized, these creative workers completed the gentrification or rather redevelopment of former manufacturing areas that once employed those living in neighborhoods like the East Village and the lower East side. The decentralization of Manhattan's manufacturing and shipping, as noted above was well underway by the 1950's.<sup>5</sup> This move out of the city not only reduced production costs for migrating companies, but also benefited suburban and urban landholders. In Manhattan this flight of industry left behind very few blue-collar jobs for ethnic and racial minorities and newly arrived immigrant populations. By the 1970s and 80s this exodus left large swathes of empty industrial buildings around lower Manhattan; buildings that would eventually be adapted to house the new service producer economy blossoming with Manhattan's rise as a global financial center.

The cyber-culture squadrons of new media are the last wave to conquer the supposed derelict frontier Manhattan's manufacturing districts. And with this new urban culture comes cocktail-nation enclaves, @ cafes, and high priced coffee shops, that raise the local rent structure and force out remaining businesses that once catered to the area's former denizens. It is this sort of transformation of urban and social realm of the city, unaccounted for in the NYNMA report and New York Magazine's pronouncements about Silicon Alley, that frontier mythology renders invisible. After the rush to settle this new urban frontier comes to a close, it will appear that for some, this high tech boom has been, indeed, a bust!

## NOTES

<sup>1</sup> *New York Magazine*, 13 November 1995, cover. This issue of *New York Magazine* devoted over 40 pages to Silicon Alley. Each of the four articles reveals an aspect of new media's history, current status, and future trajectory. There is a who's who guide of Silicon's cyber elite, along with maps locating various companies, organizations, and cultural institutions within the Alley. The issue also includes an exposé on digital guru Nicholas Negroponte, as well as a guide to the high tech stock market. In total *New York* hypes Silicon Alley precisely at the moment the state and venture capitalists are pouring private and public dollars into Manhattan's burgeoning new media frontier.

<sup>2</sup> Joel Garreau, *Edge City: Life on the New Frontier* (New York: Doubleday, 1991), p. 14

<sup>3</sup> Saskia Sassen, *The Global City: New York, London, Tokyo* (Princeton: Princeton University Press, 1991), p. 90.

<sup>4</sup> Neil Smith, *The New Urban Frontier: Gentrification and the Revanchist City* (New York: Routledge, 1996), p. 75.

<sup>5</sup> Robert Fitch, *The Assassination of New York* (London: Verso Books, 1993). Fitch suggests the original ideas for the decentralization of industries outside of Manhattan were first implemented through the 1925 Regional Plan of New York. In particular he chronicles the machinations of the Rockefeller family for whom the grid-iron of Manhattan served as a chess board for their various schemes. Although there are undercurrents of a conspiracy theory in Fitch's narrative, he provides a useful in-depth history of the tax incentives legislated by municipal and state authorities to assuage downtown's biggest landholder: the Rockefellers.