PRAISE FOR
THE BIG PAYBACK

"Exhaustive yet vigorous."
—The New York Times

"The ultimate hip-hop blueprint."
—The Source

"Charnas’ epic account of the music’s rise from Bronx parks to Wall Street is gripping, stylish, impossible to put down."
—Flavorpill

"A must-have for any rap fan."
—XXL

"Charnas’ ‘American success story’ unfolds vividly and briskly, and no hustle goes unturned."
—Rolling Stone (4 stars)

"[Charnas] brings to life the story of the dollars behind the ballers in this absorbing account of hip-hop’s transformation from South Bronx cottage industry to multibillion-dollar global business."
—Spin

"The rap tome you have to read. . . . Dan Charnas’ chronicle of the genre’s rise to multibillion-dollar industry is essential. Wisely, The Big Payback focuses not on the beefs you know but on the back-room battles you don’t."
—Details

continued . . .
“The book does a page-turningly good job of detailing the clashes between key figures like Russell Simmons and Rick Rubin. . . . Charnas has done a real service to pop history by following the money.” —New York Daily News

“Dan Charnas’ detailed and colorful account of hip-hop history and its fusion of art and commerce is a must read for fans of the music industry. . . . His time embedded in a tumultuous, momentous environment doesn’t so much compromise his objectivity . . . as allow him to get the kind of juicy details no one else has reported—the boardroom brawls, the moguls who mentored.” —Los Angeles Times

“Charnas did an incredible reporting job and the book is a delicious read. . . . It doesn’t matter if you love hip-hop or not, this book is just an incredible epic about business and culture in America.” —The Atlantic

“[Charnas] writes with the authority of an insider, the passion of a fan, and the cool eye of someone who has maneuvered through the day-to-day working of the business. Nuanced treatment of the impresarios behind signature sounds and recording empires and brisk, dramatic vignettes give this history of a leaderless revolution impressive momentum.” —Publishers Weekly (starred review)

“Monumental in every way . . . a constant revelation. . . . Every page is loaded with fresh, acutely detailed, great stories delivered in bite-size, and Charnas’ snappy pace makes getting through its 650-some pages a pleasure.” —The Onion A.V. Club

“The Big Payback isn’t just the most comprehensive journalistic account of hip-hop ever written—it’s a mature, Pulitzer–worthy work, an integral account of essential urban history on a par with Robert A. Caro’s The Power Broker.” —The Boston Phoenix
"The Big Payback stands out as a must read for any fan—or detractor—of the genre."

—Forbes

"The riveting dialogue culled from more than three hundred interviews makes it seem as if Charnas was in the room for every detail that ever went down in hip-hop, and sometimes he was."

—The Austin Chronicle

"Hands-down, one of the best books ever written about hip-hop . . . Absolutely essential . . . this isn’t just the most important book on hip-hop that’s come out in years; it’s one of the most important books on pop music, period."

—Oliver Wang, Soul-Sides.com

"Charnas has the shrewdness and experience as a journalist to pull it off extremely well. . . . [He] is a highly skilled chronicler of the forty years that have paved the way to hip-hop’s present. . . . The staggering anecdotes knock your mind around, but the excellence of the storytelling will have you surrendering them out loud to your fellow fans."

—KEXP.com

"Charnas captures an epic story full of joy and pain, triumph and failure, grace and greed with the skills of a journalist, the wisdom of an insider and the passion of a microphone fiend."


"His cast of characters—producers, agents, label executives, talent scouts—is every bit as compelling and dramatic as the musicians themselves. . . . It’s an unforgettable odyssey."

—Samuel G. Freedman, New York Times columnist and author of Upon This Rock, Who She Was, and Jew vs. Jew

"[A] stunning achievement. Not only does it manage to pack in countless unprecedented anecdotes about hip-hop that you can’t find anywhere else—the read is effortlessly smooth."

—Cheo H. Coker, coscreenwriter of Notorious and author of Unbelievable: The Life, Death, and Afterlife of the Notorious B.I.G.
CONTENTS

Note from the Author  xi

ALBUM ONE: Number Runners
Hip-hop’s earliest entrepreneurs (1968–1981)
   Side A: Uptown  3
   Side B: Downtown  28

ALBUM TWO: Genius of Rap
   Side A: Disco Inferno  65
   Side B: Kings from Queens  93

ALBUM THREE: The Beat Box
Def Jam fosters a revolution in art and commerce (1984–1988)
   Side A: High  123
   Side B: Low  172
CONTENTS

ALBUM FOUR: Hip-Hop Nation
   Side A: West Side 207
   Side B: East Side 231

ALBUM FIVE: Where Hip-Hop Lives
   Side A: Color Lines 293
   Side B: Street Knowledge 326

ALBUM SIX: Cops & Rappers
Time Warner and corporate America grapple with gangsta rap
   Side A: Truth 355
   Side B: Consequences 392

ALBUM SEVEN: Keeping It Real
The branding of hip-hop and the rise of the superempowered
   artist (1993–1999)
   Side A: Credibility 431
   Side B: Equity 477

ALBUM EIGHT: An American Dream
Hip-hop cashes out (1999–2007)
   Side A: Building 535
   Side B: Selling 581

EPILOGUE: Harlem, November 4, 2008 633

Acknowledgments 639
   Index 647
The man who invented American money lived and died in Harlem.

He arrived from the Caribbean at the age of seventeen, an orphan subsisting on a modest scholarship. But when he retired in 1800 after founding the first national bank, launching the U.S. Mint, and serving as the first secretary of the treasury, Alexander Hamilton purchased an estate in upper Manhattan. Hamilton Grange sat on the high cliffs overlooking the former Dutch village of Nieuw Haarlem, a pastoral getaway for wealthy residents of the growing city of New York, then still confined to the lower part of the narrow island. On that same rocky ridge, almost twenty-five years earlier, Hamilton fought the British at the Battle of Harlem Heights. Later he became General George Washington’s chief of staff.

After the Revolutionary War, Hamilton fought a different kind of battle, one that would decide what kind of nation America would become. The battle pitted Hamilton against another founding father, Thomas Jefferson. Hamilton wanted to keep New York as the national capital. Jefferson, who detested cities, wanted to move it to the banks of the Potomac across from his native Virginia. Hamilton saw the future of America in business and manufacturing. Jefferson advocated agriculture. Hamilton was an immigrant. Jefferson was born into a wealthy plantation family. Hamilton was an abolitionist. Jefferson owned slaves.

This debate—between city and country, between North and South, between abolitionist and slaveholder, between liberal and conservative—would dominate America’s history long after Hamilton died, shot down in a gun duel with a political enemy. It would ultimately lead to the Civil War. By
then, the land Hamilton owned was split into parcels for the growing city, and renamed Hamilton Heights. After Abraham Lincoln signed the Emancipation Proclamation, after the surrender of the Confederacy, the argument continued. *What is to become of the sons and daughters of African slaves? Will they become fully American, enfranchised with the rights America's founders accorded to themselves? Or will Negroes in America be remanded to a kind of limbo, neither chattel nor citizen?*

For many years the answer was clearly the latter. By 1920, Hamilton Heights looked down on the biggest Black ghetto in the country. Harlem had become the catchall neighborhood for New York’s Black population, and for the Negro migrants who streamed in from the South and the Caribbean, fleeing poverty and oppression, in search of work. For those escaping Jim Crow’s clutches, New York may well have been paradise. But it was a bleak existence. Black women found work as domestics in middle-class White homes. If factory jobs weren’t available, Black men took custodial work, if they found employ at all.

Still Harlem buzzed with new life. Southern migrants brought their music with them—blues and its refined, citified cousin, jazz. Nightspots opened along Harlem’s main drag, 125th Street, attracting White revelers from downtown. In those audiences were the founders of the modern entertainment industry—White radio broadcasters, film producers, sheet music distributors, and phonograph record manufacturers. Soon, boisterous Black jazz was being beamed, performed, and published across the United States, becoming the favorite music of young White people across America. Even though segregation put Black performers at a significant disadvantage, and swindlers often robbed Black composers of their rights, entertainment proved to be one of the few ways that Black folks could make a buck in America.

Harlem also gave rise to an aspirational class who held forth the Hamiltonian dream of an equal society where one’s position was decided on merit, not on lineage or the color of one’s skin; where ingenuity and hard work trumped race. Some of these Harlemites were Black entrepreneurs and professionals: doctors, lawyers, shopkeepers. Others were authors, artists, musicians, poets, philosophers, professors, politicians, and activists. Harlem bore the first institutions of the civil rights movement, the NAACP and the National Urban League, and the first organization to champion Black power, Marcus Garvey’s Universal Negro Improvement Association. By the 1920s, Harlem had become