
PERSPECTIVES ON ARTS ENTREPRENEURSHIP, PART 4

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We offer this fourth installment in our opinion series, “Perspectives,” as the last in which we invite *Artivate*’s current editorial board members to respond to open-ended prompts about: their position in relation to arts entrepreneurship; how arts entrepreneurship is situated in relation to other disciplines or fields; what problems we are grappling with as scholars, practitioners, teachers, and artists; and what are the research questions we are attempting to answer individually or as a field. In this installment’s pair of contributions, Susan Badger Booth and Diane Ragsdale reflect on arts entrepreneurship in two different contexts: individual university students and alumni on the one hand, and organizations in a system on the other, thus reflecting the diversity of arts entrepreneurship contexts found in this issue’s three features.

Arts Entrepreneurship: An alumni-centered definition

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In this series of essays, *Artivate* has asked authors to contextualize how we approach arts entrepreneurship in our programs, through our scholarship, and, of course, in our creative practice. My previous career path as both artist and then arts administrator has always informed my teaching. In fact, both my teaching and scholarship continue to find form and definition in my applied work of arts entrepreneurship and administration, particularly when this work intersects with my students and alumni. To add a frame around my personal perspective, I teach at a large regional university nationally recognized for excellence in applied learning. Being a regional university we draw heavily from the state with 86% of our students coming from Michigan during our 2015 winter term. This creates a unique relationship with our region especially since 75–80% of our alumni continue to work and live within 50 miles of our campus after they graduate.

My students collaborate with a network of local cultural organizations, creative businesses and artists. Often the line between campus community and cultural community becomes blurred as relationships that develop during school often continue way past graduation. I know that part of the proliferation of local creative projects is modeled after work these arts entrepreneurs have completed on our campus and in the applied learning laboratories throughout our community.

As current students learn entrepreneurial theory and practice in our classrooms, they watch our alumni apply these lessons learned in the development of their own post-graduate professional work. This point of view offers me the opportunity to track learning outcomes past the last day of class or even graduation. It is through this long lens that I find my definition of arts entrepreneurship.

For example; I see arts entrepreneurship defined by watching alumni and clarinetist of the Akropolis Reed Quintet develop a music publishing business. Since reed quintets are not a common chamber orchestra configuration, Akropolis found early on that they needed to commission most of their pieces. This gave them a library of music they could make available to other reed quintets through an in-house publishing business (Akropolis, 2016). I see arts entrepreneurship defined through alumni and DIYpsi host during the sixth season of this local

indie art fair created with the “intent to be one component of a thriving community of entrepreneurs, artists, organizations and events” here in Ypsilanti, Michigan (DIYpsi, 2016).

I suggest it is through watchful eyes in all our institutions of higher education that we must track the work of our graduates and ask how and why they are influenced by our enthusiasm and passion for the entrepreneurial process. We should look to partners such as the Strategic Arts Alumni Data Project (SNAAP, 2015) and their findings around what they call an “entrepreneurial skills gap.” Their data brief and other alumni tracking sources should be explored and discussed in the broader community of arts entrepreneur scholars and practitioners as William Gartner (2015) suggests in a previous essay in this series. Editorial board colleagues Vakharia (2016) and Zabel (2016) suggest measuring impact and Taylor (2015) notes the definition is found through the journey. I concur with all these assumptions and suggest that the most important stakeholder in moving forward will be our alumni.

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On Entrepreneurialism and Publicness (Or Whose Theatre is it, Really?)

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But democratic society — in it, the highest duty of the writer, the composer, the artist is to remain true to himself and to let the chips fall where they may. In serving his vision of the truth, the artist best serves his nation.

- President John F. Kennedy (Remarks at Amherst College, 1963)

In his paper on the creative industries and cultural entrepreneurship Richard Swedberg examines “the parallels between the entrepreneur and the artist, according to the young [Joseph] Schumpeter” (Swedberg, 2006, p. 250). Swedberg conveys that, among other characteristics, the *artist/entrepreneur* (as contrasted with the *static majority*) “puts together new combinations,” “battles resistance to his actions,” and is “motivated by power and joy in creation.” I was disquieted when I encountered this discussion of cultural entrepreneurship a few years ago; however, it took completing a case study on the Margo Jones Theatre last year for me to identify the source of my unease.

Margo Jones is generally credited by theater historians with having founded the prototypical nonprofit-but-professional resident theater in Dallas, Texas in 1947. Among a handful of “pattern-setting elements” attributed to Jones’s theater, her adoption of the nonprofit form is said to have had “the most far-reaching effects” on regional theater in America (Berkowitz, 1982, p. 58). It is difficult to refute the statement if one considers that before 1950 there were almost no examples of professional (read: unionized) theaters organized as nonprofit corporations and that today there are hundreds. Nevertheless, it is ironic that one of the few enduring dimensions of Jones’s unique theater model—which combined elements of the community, academic, art, and commercial theater—was its nonprofit status.

While Jones founded her theater as a nonprofit “civic venture” (Jones, 1951, p. 67) there is considerable evidence that she didn’t actually run it like one. Jones is said to have “believed firmly that the head of a theatre must of necessity be an autocrat—which [she] unquestionably was” (Larsen, 1982, p. 123). Likewise, her biographer relays that when the business chairman of the board “expressed a desire to have more authority over how money was spent and accounted for,” Jones declared, “I will not be confined!” and “demanded 100 percent artistic and financial control” (Sheehy, 1989, p. 236). In return, the board of directors gave Jones a “free hand” and “unquestioning support” (Wilmeth, 1989, p. 365). Evidently, it “was not disposed to refusing her whatever she wanted” (Larsen, 1982, p. 183). Jones was able to dominate the theater in part because the economics of the arena-style venue she created enabled the organization “to depend solely on ticket sales for operating expenses” (Wilmeth, 1965, p. 269). Moreover, Jones actively avoided soliciting donations from the community, beyond the \$40,000 (in 1946 dollars) she raised to convert a found space into a theater and produce her first season.

In her manifesto-handbook, *Theatre-in-the-Round*, Jones suggests three business forms that a resident theater might take: nonprofit, sole proprietorship, or stock company funded with investments from shareholders (Jones, 1951, p. 66-67). One of Jones’s so-called followers—though a maverick in her own right—was Zelda Fichandler, who co-founded the Arena Stage in Washington, DC in 1950 as a stock company utilizing shareholder investments. It sustained itself on box office income and converted to the nonprofit form only when doing so became a condition of a significant grant from the Ford Foundation. For years after the conversion, Fichandler expressed concerns about the potential influence of the public on the institution—a worry captured and explained in this poetic passage:

I am not very strong on community giving, except perhaps when it represents only a small percentage of the total. I think we could well do without the hand that rocks the cradle, for the hand that rocks the cradle will also want to raise it in a vote and mix into the pie with it. For while a theatre is a public art and belongs to its public, it is an art before it is public and so it belongs first to itself and its first service must be self-service. A theatre is part of its society. But it is a part which must remain apart since it is also chastiser, rebel, lightning rod, redeemer, irritant, codifier, and horse-laughter. (Fichandler, 1970, p. 110)

The Milwaukee Repertory Theater—another organization that consulted with Jones before opening—was founded in 1954 as a hybrid nonprofit-stock company. It solicited donations from the community, which it combined with investments by its founder, Mary Widrig John, who held a majority of shares in the stock corporation. This unorthodox pairing reflected John’s desire (akin to that of Margo Jones) to involve the community financially in raising a theater from the ground, but to exercise control over its direction once raised. According to one

chronicler, there was “growing dissension among the staff and board of directors regarding John’s authority. The crucial question to be answered was whether the theatre belonged to John or the public” (Pinkston, 1989, p. 377). The matter eventually went to court and a judge ruled that the theater could not be nonprofit and have shareholders. It became a non-stock nonprofit corporation and John departed.

One imagines that if Certified B Corporations or Low-Profit Limited Liability Corporations had been in existence at the time, either one would have been a preferable legal structure for these theaters, given the goals of their entrepreneurial leaders. It is no coincidence that we are witnessing the creation and adoption of hybrid forms of organization alongside the emergence of social, cultural, creative, and arts entrepreneurs. Such forms are ideally suited to those who want to do work that benefits society but don’t want to relinquish ownership or control over their enterprises to do so.

And this brings me to the source of my unease. For all intents and purposes, the Margo Jones Theatre (née Theatre ’47) was operated by Jones as if it were a sole proprietorship (i.e. a private enterprise). Put another way, in terms of funding and control, Jones’s theater was, to a great extent, lacking in “publicness” (see e.g. Andrews, R., Boyne, G. A. & Walker, R. M., 2011). Moreover, the characteristics that made Jones a highly successful artist/entrepreneur made it nearly impossible for the board of the nonprofit theater (owned by no one and therefore everyone) to exercise what is now generally taken to be good governance, including: oversight of the theater’s financial health; determination of the theater’s goals; and representation of the public’s interest in the theater. Tellingly, following Jones’s untimely death in 1955, the board of directors seized the power that had been denied them for years, dismantled many of Jones’s policies, and took the theater in a different (and ultimately fatal) direction.

As I ponder the motives, opportunities, and means of the three pioneering leaders highlighted in this essay, the parallel characteristics of the artist and entrepreneur as theorized by Schumpeter, and the emergence of new hybrid private/public organizational forms, a philosophical question emerges—in large part because I hear calls these days for nonprofit arts organizations to become both more *entrepreneurial* (i.e. innovative and self-sustaining) and more *communal* (i.e. responsive to, or representative of, the communities they ostensibly exist to serve):

Is there an inherent, underexamined, and perhaps necessarily unresolvable conflict between the autonomy or authority needed by the artist/entrepreneur and the publicness required of the 501c3 charitable nonprofit, in order for them effectively to fulfill their respective roles vis-à-vis society?

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