

Introduction

It is remarkable that, over the course of the century surveyed in this book, the supply of entertainment grew exponentially, along with the amount of capital needed to do business and the sources of that capital, while at the same time the organization of stage labour and the distribution of products were also radically overhauled. Public buildings such as theatres became alive with running water for flushing toilets, fire-proofing measures came to provide a modicum of protection against loss of life, systems of lighting were supplanted (twice), and whole branches of government and public service were created to inspect and superintend the provisioning of entertainment to the public.

Some might argue that developments in repertoire and achievements in standards of artistic presentation – the two themes that dominate theatre historiography – pale in significance alongside the introduction of creature comforts, quests for safety, the creation of effective state apparati of authority, new companies law, and the development of whole new branches of industry – first music hall then cinema – to rival the theatrical stage. I argue for their mutual consideration. If culture's historians ignore business, they overlook the resources that make or break an artistic choice. And likewise, as Kenneth Lipartito argues, if business historians ignore culture 'it creates an untenable abstraction of human action'.¹

The decisions of a manager (Hamlet or Harlequin? ascendant stars or untried talent? backless benches or antimacassars on plush stalls?) are, as Lipartito writes, 'a skilled performance, directed outward to the market and inward to firm personnel'.² Theatrical firms' fiscal practices derive not only from an aesthetic outlook but also from the interactions of consumers, producers, capital, and what was called in the nineteenth century political economy. Not everyone in business acts rationally, and it is certainly more than competitiveness that explains market success. Capabilities are tried and only sometimes maximized, for entrepreneurship is

more art than science. Yet to try to explain the quixotic outcomes of management, the visceral experience of theatre-going, the social significance of theatre-making, and the connections between the state and what aspires to be art without reference to economics – both in the circulation of theoretical ideas and the more tangible effects of capital – is to impoverish the history. Pretending that representation is not in league with markets, promoters, and technologies – the usual purview of business and economic history – and that capital is not behind them all, is to clash the cymbals, throw a handful of fairy dust, and expect Clio to clap like a child at its first pantomime. It is not so much that aesthetic concerns should be pushed away in favour of social science approaches to performance, for culture forms out of business activity, and vice versa. But just as managerial decisions are reactions to the environment as much as actions upon it, they take into account signals from the outside world.

To pursue such a perspective requires examination of a range of evidence that has hitherto escaped systematic scrutiny from historians of theatre: financial accounts, business correspondence, records of incorporation, and legal documents as well as theatre licensing, the regulation of repertoire, and the parallel operations of other industries. While much evidence of this kind has vanished, enough remains from the span of 1800 to the outbreak of war in 1914 to show the trends and particulars of how the entertainment industry functioned. Thus, this book takes a different orientation to the subject of performance and not just the application of a different theoretical or analytical lens to old evidence. Its responsibility is not to argue for a new approach but to demonstrate the approach's validity by bringing information newly to the fore, not as a litany of facts but rather as events belonging rightfully to the chronicle. In working through this rationale, I discovered no exact precedents in the scholarly literature of any discipline. So, as Hayden White suggests, analysis of new combinations of non-formalized discourses may violate expectations of the relationship of event to context, levels of generalization, and conventions of genre in order to 'transform events into facts' and set the 'factual, conceptual, and generic' as three interdependent kinds of content.³ As a hybrid of many inspirations, this book keeps performance at its centre, though capital rather than the actor is its medium, which may disconcert some readers.

I am also mindful of an educator's credo to be useful, and to this end envision some readers wanting to learn from the past as well as others who seek primarily to learn about the past. Marx's dictum that 'Men make their own history, but they do not make it just as they please; they

Introduction

3

do not make it under circumstances chosen by themselves, but under circumstances directly encountered, given and transmitted from the past' finds eloquent rebuttal from such commentators as Jean-Paul Sartre, Claude Lévi-Strauss, and James Chandler, the latter decoding this as part of an historical impulse towards determinism.⁴ This temptation may not work on my imagined reader (say, tomorrow's theatre manager), though I believe that much can be learned from the culture that first articulated classical economics, especially when it comes time to resist market capitalism's reimposition on the cultural industries, now dependent upon governments to be materially supportive of artists' efforts. For readers with other interests rooted in contemporary conditions – competition between theatre and new media, globalization, censorship, a gendered workplace, a unionized workforce, or just the colour of the number at the bottom of the balance sheet – this book also has much to offer. A sense of historical solidarity, or perhaps relief at circumstantial discontinuity, may reign. However, since the economic principles being worked through by nineteenth- and twenty-first-century legislators and business people share a great deal – the liberalization of trade zones and protection of industrial sectors, as well as the state's role in fostering national theatres and supervising the moral and nationalist message they promulgate – there will probably be more in common than seems apparent at first glance. For the innovators, entrepreneurs, and plain slogging folk chronicled in this book, political economy is never far from everyday reality, and moulds each negotiation with the marketplace.

John Philip Kemble demonstrates the links between experience and theory pragmatically. In 1791, at the end of his fourth season as manager of Covent Garden, Kemble scribbled down his accumulated wisdom and inserted the list in his personal memorandum book of financial accounts and notable events. It amounts to six aids to memory which, in many respects, represent the fundamental junctions of economic ideas and managerial practices that governed British theatre for the next century:

Always take Care to have a Singer of the deepest Bass; no matter how he speaks; the Gallery love a Rumble. The elder Mr Banister [is] no Actor – great Favourite.

Never let an old Actor of Merit want an Engagement on any Account. It is [in] the true Interest of the Stage. Monopoly not to suffer the Publick to think that there is not Room enough for every body at the two Theatres.

Little Children have a very pleasing Effect in Pantomimes, Processions, &c.

Cambridge University Press

978-0-521-57115-9 - The Economics of the British Stage 1800–1914

Tracy C. Davis

Excerpt

[More information](#)

Always keep well with the leading Performers, particularly with the Women, though they should be ever so unreasonably troublesome. By humouring half a dozen you uncontrollably [*sic*] command three score.

There are one hundred thirty six lights in the Front of Covent Garden Theatre, and seventy two in the Front of Drury-Lane Theatre.

Whenever there is Danger of a Riot, always act an opera; for Musick drowns the Noise of opposition.⁵

This wisdom may be interpreted in various ways. It means that popularity and success are not guaranteed by talent; that where there is a closed shop, those inside the system are apt to believe that the supply elastically corresponds to demand; it means that novelty pays; that women are always a special category within personnel;⁶ that successful spectacularism takes proportionate investment; and that because theatre exists in a politicized milieu, the decisions of management will affect the reactions of consumers beyond mere questions of taste. Thus, Kemble gives us an apt reminder of the theatre industry's indivisible link between economics and aesthetics, and the complete subsuming of art to successful commerce.

This book covers ground as vast as Kemble's wisdom, but additionally by examining the validity of claims made by theatre entrepreneurs, state regulators, and free marketeers about the viability of theatre as an arena of unprotected competition, it historically grounds twentieth-century debates about subsidization and the economic viability of the arts. I argue that except in a few notable cases, theatre practitioners operated in their own self-interest, and not for the greater glory of dramatic literature, theatre aesthetics, or proletarian culture. While this provides a twist to the historiography, it is not apt to be a controversial claim. More significantly, by setting the debates around state involvement (*vis-à-vis* market regulation) as the foundation for subsidiary arguments about the need to protect the arts and culture industries in order, in turn, for them to protect and promulgate expressions of national culture, we can discover links between individual entrepreneurs' choices and industry trends in the nineteenth and twentieth centuries.

Thus, for example, Bill Clinton's first State of the Union address of his second term sets the arts and humanities apart from the important aspects of the economy which are 'measured in numbers and statistics', and claims a role for the great national endowments apart from the dollar value of bloc grants. Something else, which he called 'the enduring worth of our nation' is unquantifiable, lying 'in our values and our

soaring spirit'. We should, therefore, 'stand by . . . and challenge our artists' and arts institutions to celebrate the millennium as our common past and future, 'so that we can remain the world's beacon of liberty and creativity long after the fireworks have faded'.⁷ Likewise, Tony Blair in the run-up to a huge electoral victory in 1997, promised an 'Age of Achievement' in which the arts will re-create 'the sense of community, of identity and of civic pride that has been so grievously lost over the last twenty years' of Conservative government.⁸

Clinton and Blair's premise – to put the support of the state behind the arts and humanities in order to better service the *state's* ideology – is a Marxian take on utility that has its origins in classical economic thought. How the theatre is to be utilized in the interest of the state as a choice between state intervention and free enterprise was precisely the dilemma perplexing nineteenth-century Britons contemplating both market regulation and the social good. This book offers foundational work on the organization and financing of the theatre industry, but this other dimension explains why it all matters so very much, and perhaps why the Left in our age of 'enterprise culture' has been so easily derailed in putting its case for arts subsidization on the grounds of nationalist preservation, the social good provided by the artist, free speech, and enlightened humanism, tolerance, or multiculturalism: anything but the arts' role in economic growth.⁹ 'Art will define the nation as a distinct culture', as Andrew Coyne puts it, 'and so will justify the existence of the state: The same state, as it happens, that sponsored the art.'¹⁰ While the New Right argues for decentralized funding and the pre-eminence of consumer choice, the New Left in the name of collective cultural democracy also advocates power for the consumer. Whether or not a resulting cultural policy includes government subsidy, theatre with 'enlightened' goals is cast as the 'other' to commercialized entertainment.¹¹ Neither side wishes to exhibit elitist contempt for audiences, but only one side champions the survival of the medium.

Jacques Barzun identifies the nineteenth century as the turning point between earlier forms of aristocratic patronage and the era of art funded by taxation.

These new means of sustaining art turned the artist from a domestic, a courtier, or a 'favorite' into an independent entrepreneur, a dealer-manager-advertiser of his own wares. By the nineteenth century, this situation, combined with the evils of industrialization, brought on the open conflict between the artist and society that has characterized the last 150 years.¹²

While Barzun's chronology is a little off with respect to British theatre, and I prefer to argue that the entrepreneurial artist goes hand-in-glove with the capitalist ethos, his general point is correct. It is important to recognize Britain's Arts Council (created in 1945) as a *breach* with the *laissez-faire* tradition, but equally important to historicize the practices which it altered and the debates which gave rise to it, both grounded in the nineteenth century. It is a socialist rhetoric that regards the state's investment in art as the democratization of patronage, and a liberal argument for the protean effects of art's educative ability. But for those who fingered the public purse, the prevailing question in the nineteenth century was the distinction between investment by taxation and an entirely different valence of political consensus which resulted in structures of regulation facilitating an open or closed competitive market. Both types of state involvement in the arts are *de facto* public policy, but their ideologies and manifestations are distinct. This book begins the work of documenting and contextualizing the nineteenth-century version.

Some of this work occurs at the most basic level. Beyond the business histories of individual theatres and managements, it asks what is at stake culturally in the economics of theatre. This is difficult to answer when theatre's place in the taxonomy of Victorian economic activity is so disputable: is it an industry offering a product of assembled specialized talents, in which case it would be classed with the great nineteenth-century megaliths of shipbuilding, textile milling, and iron forging. Is it a commercial activity analogous to retailing, in which case it might be charted along with the transformations in goods packaging, specialized marketing, and the emergence of department stores. Or is it part of the service sector (not yet posited in the nineteenth century) by virtue of being a provisioner of what are basically intellectually produced goods, in which case it would be classed along with the hotel, restaurant, literary, and tourist industries that grew up alongside it and which in many instances were interdependent with it. And what exactly is the commodity that theatre produces? The literary part of it, produced as a script, was a blueprint for infinite productions, and as enduring as any patented machine. The performance part of it, existing only in the presence of an audience, is more perishable than any foodstuff, more subject to shifting tastes than the season's sartorial fashions, and more of a risk than any other artistic venture, usually requiring thousands of hours and thousands of pounds in research and development investment before a single shilling could be returned. The growth and contraction of regional and

local economies, and theatre's response to patterns of plenty and hardship, additionally complicate the picture.

The theatre indisputably reacted to the larger economy, absorbing and trying its prevailing economic theories, and demonstrating in a very public manner the unassailable capitalist ethos of the nineteenth century. Yet the idea of theatre as a product of economic ideology is new to Theatre Studies. Similarly, on the other side of the disciplinary divide, business and economic historians have shied away from the diversity of theatre, preferring the elitist manifestations of this mass medium, while social historians concentrate interest on its most populist versions in the music halls.¹³ Lipartito challenges this divide in a general way, addressing Social Scientists thus:

Locating culture in what we have assumed to be non-cultural is the challenge contemporary theory presents. It asks us to cut across what we commonly regard as separate categories – technology, politics, organization, class – to see how they signify powerful ideological constructs. By considering these sorts of connections we can bring business and culture into each other's domain, and see that a culture must include its most powerful institutions.¹⁴

Second, perhaps, to the newspaper press, the theatre was surely the most powerful medium of nineteenth-century Britain, making as well as reflecting culture in its representations and functions.¹⁵ It is the relationship of economics to aesthetic representation, interested rhetorics, and business functioning that is at the core of this book. Culture, broadly wrought, permeates all business decisions, just as business matters permeate all pertaining to culture, more narrowly defined.

This does not lend itself to a plain, consecutive narrative but rather one with interdependent parts, stories, and knowledges. Roughly speaking, each of the three parts provides a chronology of the century, or a large piece of it. In this sense, the three parts overlap. But all are dependent on an overriding narrative about the degree to which theatre as an entertainment industry – in which I include pre-eminently the dramatic and lyric stages, but also music hall and circus – struggled in a continuum of *laissez-faire* and governmental interventions. This, to a very large extent, determined competition, which is the theme of Part I. Competition, in turn, affected the likelihood of profit, circumstances of doom, diversification, optimization of business practices, and barriers to entry, the preoccupations of Part II. And these factors, in turn, lead to the concerns of Part III: the labour employed to serve industrialists, the market in labour and specialized goods, and the conceptualization of the product that was

being made and what could be done to distribute it profitably. These divisions accord roughly with the schools of economic thought bearing on the British industrial revolution as identified by Joel Mokyr.¹⁶

England and Scotland are the purview, in part because they afford similar histories of industrialization, intersection of theatrical circuits across a porous boundary, and a bounty of manuscript evidence.¹⁷ In chapter 1, the laws protecting against competition are detailed, along with the ingenuity of entrepreneurs in London and the country who devised ways to employ or circumvent the laws as formally writ. In the metropolis of London, the two patent theatres (Covent Garden and Drury Lane) and Haymarket in the summer enjoyed sole rights to the spoken drama, in circumstances directly analogous to the great chartered trading monopolies granted to the English East India Company, the Hudson's Bay Company, and the African Company. Ultimately, these rights were destabilized and eradicated by precisely the same political movement: free trade. The alignment between private interests and state control were increasingly odious, and the theatre became a rallying point in the cause of *laissez-faire*. The same administration that repealed the Corn Laws enacted the Theatres Regulation Act three years before (1843), setting up a new set of bureaucratic responsibilities for the Lord Chamberlain, who changed overnight from a defender of monopolistic rights to the instrument of free market competition. In no other sector was this transformation so obvious.

Through trial and error, the Lord Chamberlain literally learned what free trade was and how to foster it. The contradictions of self-interest experienced by patentees before 1843 were played out in precisely the same way by the new entrepreneurs who sought to secure their market niche from competition. The second chapter details how, over a period of about twenty-five years, the theatre finally achieved a set of operating rules to allow for unimpeded trade. In the meantime, the new industry of music hall arose in direct competition to theatre. It consistently had great overlap in repertoire and aesthetics with *bona fide* theatre (which in licensing terms included drama as well as opera, dance, and circus) but for the government's administrative purposes it was always a distinct entity subject to different rules and industrial codes of practice.

As free competition between theatres was being achieved (but never, of course, between theatres and music halls), the Lord Chamberlain's concern shifted to industrial regulations, especially safety and hygiene, in common with the Factory Acts introduced as early as 1833. Thus, the concerns of the second chapter segue into the solutions of the third, for

Introduction

9

regulating had important consequences for theatres' ability to compete, affecting their economic viability as much as the attractions of their repertoire. Again, the differences in licensing and regulation of theatres and music halls help determine their competitiveness and ultimately their viability. Hygiene, fire, and morality are front and centre in these controversies. The links between profitability and repertoire receive more emphasis in chapter 4, as after 1843 the Lord Chamberlain's Examiner of Plays had veto power over any play produced in every licensed venue in the United Kingdom. At the same time, the music hall was subject to different authority. Whereas music hall was subject to local magistrates and its texts had no scrutiny prior to performance, theatres submitted texts to the Lord Chamberlain in advance of production. This remained (until 1968) the government's last great contradiction in the implementation of *laissez-faire*, typically contested in theatres' desire to trade on sexual sensation, social critique, or political topicality. Chapter 4 argues that audiences learned to watch theatre differently, in keeping with emerging neo-classical economic models of consumption, and that meaning became assigned differently as a result. New attention to sex, nationality, and ethnicity reveals how this more demand-side economics functioned, and how the improvisations of the state demonstrate how various governmental bodies learned to keep pace.

The second part of this book switches from social change models to industrial organization explanations, though still with a focus on competitive concerns. Chapter 5 focuses on management in its myriad forms and the options that existed for entrepreneurs seeking financing. The extent to which theatre and music hall are horizontally and vertically integrated with other enterprises is detailed, as are examples of businesses that succeeded beyond the confines of a typical firm. The circumstances of business failure are also examined, to help reveal what kinds of decisions and calamities could lead to catastrophic results.

Chapter 6 takes an in-depth look at speculative risk and the conditions that bore on profit, especially the tradition of benefit nights, instigation of long runs, trends towards spectacular production, and touring. Profits are considered in relation to expenses and incomes, and case studies of a number of ventures display the range of operations and their respective profit margins. This is compared also to the fledgling not-for-profit sector which was proposed and tried in various forms during the century. Chapter 7 considers the organizational structures that were common to theatres – the family firm, partnerships, corporations, and syndicates – and compares the needs, advantages, and costs for dramatic

theatre, opera, and music hall and how the structure of businesses could optimize success.

Provincial Theatres Royal, granted patents as early as 1767, were financed by share capital. In the aftermath of the South Sea Bubble, the speculation scheme that collapsed in 1720, severely shaking Britons' confidence in stock ownership, share capital is an extremely unusual strategy of raising funds. Only after the Companies Acts of the 1860s, enabling true limited liability, did joint stock become a widespread practice throughout the economy. Otherwise, the theatre usually conformed to models of the family firm, which has implications for the dynastic nature of consolidations of power and property dating from the eighteenth century. It is noteworthy, however, that the mid- and late-Victorian limited liability ventures in theatre and music hall show an unusual degree of public ownership, rather than using the new law to shield what were in effect private companies of just a few stockholders as was overwhelmingly the case in other types of business. This enabled the 'professional manager', usually traced to Edwardian business, to emerge somewhat earlier in the corporate entertainment sector.

While, as J. S. Bratton argues, the free trade movement had the laudable objectives of liberating theatre from aristocratic patronage, bringing respectability and reviving indigenous dramatic literature 'to become another tool in the creation of a middle-class identity', chapter 8 demonstrates that stage history need not necessarily be, as Bratton laments, 'a history, overwhelmingly, of men'.¹⁸ Women's access to management and ownership is an important consideration, and helps to map the sources of finance for non-public companies. Whereas eighteenth-century women managers were extremely unusual, the emergence of hundreds of women in the administration of Victorian theatre created a whole new challenge to the practices of 'gentlemanly capitalism' – the gendered image and class-inflected conduct of business – for women were able to give real input to cultural representation and aesthetic traditions, sometimes to great effect.¹⁹ But women were also constrained by legal and banking practices as well as the power grid of masculinity that follows networks of male clubs and fraternal organizations. Eliza Vestris's lesseeship of the Olympic Theatre in 1831 created a new cultural type, but the career paths of the women entrepreneurs who followed her show how difficult it was to overcome the obstacles to property ownership and control. Prominent in family firms and partnerships, women did not rise to the class of professional managers in an increasingly corporatist industry.