

SUMMARY

It was a splendid beginning: in the late eighties of the nineteenth century, a new temple of music with unique acoustics emerged in the meadows south of Amsterdam. Its private founders – a lawyer, an equity trader, a banker, a cotton trader, a wine merchant and an attorney – all considered the new Concertgebouw N.V. a necessity for their city. The same applied to the eponymous Concertgebouw orchestra, which gave its first concert in the hall at the end of 1888. The founders estimated this ambitious project would require 400.000 Dutch guilders and intended to raise this money by issuing and selling shares. However, the equity sale yielded only just over 250.000 guilders. Subsequently, the founders were obliged to take one loan after another. The Concertgebouw was in financial straits for decades following its launch. The concert hall attracted too small an audience to balance its books, and the intertwining of the building and the orchestra became increasingly problematic. Even before the two institutions were launched, voices had called for separate exploitation and these voices would not go away.

This thesis on the corporate history of the Concertgebouw orchestra reveals that the culture regents of the Concertgebouw gave the chief conductor more leeway than the orchestra's director from the start, paving the way for a dominant position of the orchestra leader. Willem Mengelberg, a prominent man with a turbulent life, stipulated not only the artistic but also part of the corporate policy of the Concertgebouw orchestra, and was forceful in doing so. This 'model' regularly caused tension involving the talented conductor himself and, at a later stage, his successors. Given the fact that the board had few checks and balances at its disposal to channel these tensions, conflicts could easily spin out of control. Although several aspects of these problems have been touched upon in literature before, they have never been interpreted and integrated as they are in this thesis.

It has also come to light that despite its flaws, the Mengelberg model provided a solid basis for a successful symphonic orchestra able to continually renew itself. Based on new sources – including discussions with people from behind the scenes – this book clearly demonstrates that the Mengelberg model had a major impact on the way chief conductors were looked upon and on the mark they put on management. Thus, a fresh view emerged on a nineteenth-century institution searching its way into the twenty-first century.

Within this quest, the entrepreneurial spirit of the Concertgebouw orchestra was slow to appear. The Concertgebouw functioned initially as an obstacle, and since the eighties of the twentieth century as a catalyst. What mark did the chief conductors put on management? Along what lines did the positions of the various directors develop? What conflicts arose? And what steps were taken in order to render the organisation more professional?

In his unstoppable advance, Mengelberg first and foremost benefited from the strong Amsterdam urban context, which was a constant factor in the success story of the orchestra. For its time, the concert hall was a colossal building, considered a symbol of pride, audacity and self-esteem of wealthy Amsterdam citizens, many of whom belonged to the corporate and financial elite. The musical palace manifested a typical nineteenth century flair, notably one of passion for culture as a symbol of 'the elevated' which – combined with prosperity – was to put the city on the map. The much-admired Mengelberg was at the heart of this, someone who could carry along anyone who had even the slightest interest in the Concertgebouw in a frenzy of national as well as international prestige.

Mengelberg was not only a source of inspiration, but one of conflicts as well. It wasn't long before he was nicknamed 'our laborious friend' by the board. Cartoonists and illustrators eagerly drew upon his part in the conflict of the Concertgebouw in 1903/04, his hero status, his fiscal antics, his 'repudiation' of Mahler in the thirties and his pro-German attitude.

Thus, the celebrated conductor gradually developed into somewhat of a caricature, damaging the concert hall and the orchestra. Well aware of Mengelberg's exceptional musical talent, the board of the Concertgebouw N.V. continued to endorse him for quite some time. It took until the second half of the thirties, when Mengelberg was in his late sixties, for the board to decide to curb the number of his concerts in Amsterdam, focusing solely on the highlights of his repertoire. But by then, the orchestra leader had set the tone for his successors Van Beinum, Haitink, Chailly and Jansons, having taken full advantage for decades of the leeway the cultural regents had given him from the beginning.

When Jansons entered the scene in 2004, the Concertgebouw finally got the conductor everybody wanted: world famous without being complacent. Jansons was a perfect fit for the new relationship structure, in which the managing director and the chief conductor operated on an equal footing. By virtue of a new management model, the corporate management was better able to create the conditions needed to maintain a balance between artistic and business interests. This model proved not dependent on specific people, it stood firm. There is no indication that this is about to change, the old management model seemed out of date.

Directors Hutschenruyter, Rudolf Mengelberg, Heuwekemeijer and Wijnbergen paved the way for a gradual development towards the management model consisting of one managing director assisted by an artistic and a business manager, introduced in 1998.¹ This model had the advantage that conflicts could be discussed on a management level instead of landing immediately on the Foundation board's desks. Another positive aspect was the relationship of equals between the chief conductor and the managing director. Unlike many American orchestras, the board of the Amsterdam foundation had given its chief conductors much freedom, which resulted in a managerial crisis more than once. On the other hand, the substantial artistic freedom may have been a reason for chief conductors to stay with the orchestra for a long period of time, much longer than most directors.

A series of conflicts and controversies that distorted, if not disrupted, the balance between order and freedom provides a clear insight into the interaction between artistic and managerial aspects and into the dilemmas that resulted. A common theme has always been the blurred demarcation of responsibilities between conductor and director, and therefore between artistic and business interests. In every conflict, this caused tensions to rise, often culminating in the departure of a director.

The Wijnbergen/Zekveld affair, in which corporate and artistic interests were totally opposite, illustrates that the entrepreneurial spirit of the Concertgebouw orchestra had gone over the top in reaction to a lengthy period of chaperoning and paternalism. Wijnbergen, responsible for business management, was focused on generating income through numerous foreign concerts and an extensive production of CD's, while artistic manager Zekveld went his own way, composing the most magnificent (and expensive) programmes for the spoiled Amsterdam audience. The old management model lacked a managing director able to restrain both parties' behaviour.

Looking at the directors' position since the early days of the orchestra, one can discern a classical dialectic of thesis, antithesis and synthesis. Hutschenruyter and Rudolf Mengelberg operated under the auspices of the Concertgebouw's cultural regents in a tight discipline but with little freedom; Heuwekemeijer and Wijnbergen, under the supervision of the Foundation board of the orchestra – rendered independent in 1952 – took a seemingly boundless freedom; managing director Loot began creating synthesis between order and freedom and his

¹ In the spring of 2017, the artistic and the business manager were both officially granted the position of director. They continued to report to the managing director. Their job titles, in English, are *artistic director* and *director of business and media*. SAA, toegangsnummer 693 (KCO), notulen vergadering stichtingsbestuur d.d. 30 maart 2017.

successor, flute player and current managing director Raes, continued along this path. Within this relatively stable setting, artistic dreams could be spun and musical beauty could be created without the precarious balance between business and artistic gains being lost out of sight. All things considered, it has now become clear that the professionalization under managing director Loot with the cooperation of chief conductor Jansons has had a great impact on the opportunity of the Concertgebouw orchestra to prosper as an Amsterdam orchestra as well as a global player.

From a business perspective, the history of the Concertgebouw orchestra is complex. From 1888 until 1952, the cultural regents of the Concertgebouw N.V. (a legal entity similar to the public limited company or Plc in the UK and Ireland) had ultimate responsibility for the concert hall and the orchestra. However, since the beginning of the twentieth century, private individuals were no longer able to carry the financial burden of the concert hall and the orchestra, and public funding was needed. Post-war gap-funding subsidy programmes were anything but an incentive to the deployment of entrepreneurial initiatives for the orchestra. On top of that, the newly independent orchestra continue to rely on the concert hall for all sorts of practical matters between 1952 and 1992. In the eighties, things nearly went wrong. A combination of budget cuts by the authorities and administrative disarray at the concert hall caused financial shortages to surge and the orchestra nearly collapsed.

Other problems persisted. The Law of Baumol continued to haunt the orchestra. Economist Baumol reasoned that the financial shortages of dance, theatre and symphonic music performances increased more than those in other sectors because the performing arts hardly benefited of labour productivity growth brought about by mechanisation and automation. To perform a symphony, a certain number of musicians and a certain amount of time are needed. Meanwhile, wages and pay rose in all sectors, including the performing arts. It proved difficult to cope with Baumol's cost disease. In addition, wages paid by the Concertgebouw orchestra structurally lagged those offered by top orchestras abroad. Meanwhile, the artistic demands on orchestral musicians in Amsterdam were definitely not lower than those on musicians of other outstanding orchestras like Berlin or Boston. A devilish dilemma.

The Concertgebouw orchestra is a cultural melting pot, with musicians of around twenty different nationalities. Many musicians value the democracy within the Amsterdam orchestra, the special acoustics of the Concertgebouw and the fact that the foundation enables many of them to play a valuable instrument on loan. However, the question remains whether these 'secondary labor conditions' will over time outweigh the apparently unbridgeable wage gap.

Finally, performing new music – one of the Concertgebouw orchestra's core qualities – has proven unprofitable time after time. The orchestra had to take risks to satisfy the spoiled Amsterdam audience. Meanwhile, it had to take its foreign audience into account. The taste and preferences of the audiences abroad tend to be more conservative. Besides, the boards of foreign concert halls wanted to sell as many seats as possible, which was easier with Beethoven than with Berio. Altogether, one can come to only one final conclusion: from a business perspective, the Concertgebouw orchestra will always remain a problem child.