

CULTURE AND COMMERCE

Musicians and Ethnomusicologists: Business Models that Foster the Arts

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We find ourselves in an almost surreal cultural landscape whereby a tiny handful of “entertainment industry” corporations essentially monopolize mainstream worldwide culture, both in terms of the content and the media through which it is transmitted. Bottom line considerations create a contracting aesthetic palette limited to previously popular sounds, with important decisions about culture being made increasingly by attorneys and accountants. Commercial radio in the United States will soon be dominated by just two companies, and third party payola (where record company funds are passed through so-called indie promoters to radio stations in an attempt to encourage airplay)¹ is now essentially required to gain access to this important communication outlet. Major performance venues are now increasingly owned and operated by these same monopolies. Independent Internet radio is being crippled by high performance royalties (for airplay) to be paid to record companies, and broadband Internet is being handed to the cable monopolies, having the effect of reducing access to content beyond the “walled gardens” of media megacorporations.²

Although this industry could not exist without content, the bargaining power of “content creators”—artists—is minimal in the face of such a monolithic industry, with nearly identical ankle-shackle exclusive contracts offered by the “Big 5” multinational corporations. Exploitation of artists is standard operating procedure, with even those rare artists with good contracts who sell lots of records experiencing financial deprivation due to “creative accounting,” with the threat of the blacklist and career-destroying litigation if they resist. It is an industry joke that, when a Gypsy child is born, they place him on a blanket with a violin on one side and a bag of gold on the other. If the

child reaches for the violin, he will be a musician, but if he reaches for the bag of gold, he will be a thief. If he reaches for both, he will be a music business executive.

To state the obvious, artists who cannot make a living making music—who cannot feed their families, pay rent, get health care—cannot continue to make music full time. Conversely, traditional, serious, and experimental music all have a better chance of survival if the musicians who make that music are supported in their work. A recent example would be the Buena Vista Social Club, a now well-known group of elderly Cuban soneros whose success has revitalized the Afro Cuban music style of the first half of the twentieth century.

Meanwhile, in polls, audiences reiterate their overwhelming dissatisfaction with the current limited musical offerings and express support for expanding the musical palette beyond what is offered by the monopolies. Large audiences *do* exist for traditional and fine arts. Connecting aficionados with those creating that work can result in a flourishing cultural life.

Eight years ago, I was surrounded by attorneys, accountants, and threat letters to those who would do business with Strunz & Farah (the artists I work with), who had the temerity to ask what happened to their royalties. I became inspired by a vision for our culture in which musicians work with people who understand and respect the arts and the creative process while making a fair and healthy livelihood.

Strunz & Farah are two highly sophisticated acoustic guitarists from Costa Rica and Iran, respectively. They began performing and recording together in 1979, creating an original, improvisation-rich, instrumental music rooted in their native cultures—one Latin American and Spanish, the other Middle Eastern. Both had international life experiences, having lived in a number of countries before coming to the U.S. to live and work. Certain recordings of these artists reached an unexpectedly large audience in the early 1990s. They became a bit of a sensation, with their recordings topping the Billboard world music charts and being nominated for a Grammy in world music.

Their success became bittersweet in 1993 when the artists did not receive the royalties due from the record company they were with, a depressingly common story. After trying for a year to receive their royalties, the artists walked away from the company to start their own,

which they called Selva (*jungle* in Spanish) and asked me to manage. As a graphic artist with a background in the natural sciences, I have had to learn how to run a record company by doing it. The previous company sued us for leaving, and we counter-sued for the royalties. After six grueling years of litigation, our adversaries finally settled, giving us back our masters and a portion of the royalties due. We learned all too well the gory details of precisely how the system does not work for artists. Fortunately, we have survived and thrived, whereas our adversary was shut down by its parent major label shortly after settlement. We now reliably receive about \$8 per CD from our honorable independent national distributor for each of our eight titles, and we have complete freedom, artistically and otherwise. But it is a lot of work!

The people I've had work with me in Selva have all been musicians, ethnomusicologists, or students of ethnomusicology. I'm currently working with Kathleen Hood, an ethnomusicologist and symphony cellist, whose familiarity with Strunz & Farah's work goes back two decades. She's currently doing important work on a DVD we're producing, such as conducting interviews with the artists, writing biographical material, videotaping, and editing video. She's thoroughly prepared with professional knowledge of music and its production and staging, recording, and videotaping. She's also excellent at writing, speaking multiple languages, making travel arrangements, and so on.

The skills of an ethnomusicologist are ideal for working closely with artists. I hope to see a future music business landscape peopled with artists and ethnomusicologists symbiotically working together in grassroots business structures that can provide an alternative to the harsh, predatory model that is in a state of transition and is becoming increasingly unsustainable.

Alternative Business Models

Alternative business structures are rapidly emerging. Three models come to mind: artist-owned labels, artist collectives, and nonprofit record companies. Interestingly, the artists themselves—traditionally the least business-oriented group—are in the vanguard in forming most of these structures.

Artist-owned Labels

Artist-owned companies such as ours are forming at a rapid pace as more artists suffer exploitation, refuse to give up the rights to their work, or are unable to find a suitable deal or label to release their music. Young musicians in particular are becoming acutely aware of the need for business savvy out of self-defense. More and more artists are turning down traditional label deals in favor of doing it themselves. We have turned down many of these offers and will continue to do so. I remember receiving a call from an Artist & Repertoire (A&R) person at a major label interested in Strunz & Farah. He asked what happened to our previous deal, so I told him. His response was telling: "These artists! They're so sensitive! They actually think what's *supposed* to happen is *going* to happen!"³

The Beatles, Charles Mingus, John Fahey, Steve Vai, George Duke, Jackson Browne, and Dr. L. Subramaniam (the great South Indian classical violinist) are just a few of the many artists who have formed their own independent labels. I have heard that flamenco greats Paco de Lucia & Vicente Amigo are considering starting one together as well. Twenty-five-year-old singer Ani DiFranco runs her own independent Righteous Babe label, a very successful company of 25 people. Larger cooperatives of artist-run record companies may eventually emerge. All of these entities will need skilled and ethical people to work with the artists.

In a recent issue of *Billboard* magazine (26 October 2002), a cover article deals with the way directors of a new generation of labels (such as artist-founded ArtistDirect's subsidiary iMUSIC) are doing business. Better deals such as fifty-fifty revenue splits with artists are offered, made possible by lower overhead. These entities claim to be more artist-focused, attempting to meet the needs of artists (such as getting paid). The future will tell how these entities and practices work out.

Artist Collectives

Artist collectives, while not common in the U.S., are quite common in the U.K., patterning themselves after the vibrant and successful London Musicians' Collective, which has been in existence for over 25 years. Several genres are represented in these collectives, especially experimental, jazz, classical, and now even rock and alternative pop. Thus far, I have not heard of a world-music collective, probably due to

disparate locations and languages. A collective of ethnomusicologists might overcome this hurdle.

These collectives are often full-service nonprofit entities employing many types of artists, including graphic artists, writers, and other arts-oriented people. They are often community based, some even housed in libraries or other institutions. At least initially, they tend to be founded and operated by volunteers. These organizations often offer an astounding array of services such as performance venues, annual festivals, rehearsal spaces, recording studios, video production services, CD fabrication, graphics, printing and production assistance, web-based stores for selling CDs or downloads, artist management assistance, workshops, classes and jam sessions, archives and libraries, cooperative CD compilation participation, CD distribution, web casts, radio shows, magazines, newsletters, fan clubs and e-zines, and assistance representing the music to media. They may also link composers or soloists with ensembles or orchestras for recordings.

Many cooperatives are funded by national and local grants, public and artist memberships, sales of tickets to festivals, concerts, workshops, magazine subscriptions, sales of CDs, and fees received from the use of resources such as rehearsal space, recording studios, and fabrication (offered at preferential rates to members). We tried to start a Los Angeles-based musician's collective some years back. Although we had interest from some of the finest jazz and world music artists in the area, we could not proceed because we weren't able to find capable people to run it (I was to retire to the graphics department).

Nonprofit Record Companies

Nonprofit record companies are not common. I believe Smithsonian Folkways Recordings offers the best and most high profile example of this business model. These companies may have a stated goal of recording, archiving, and promoting culturally important work while ensuring artists—a traditionally exploited group—the fruits of their labors in order to increase artistic output. Ideally, artists would retain their PA (composer) and SR (sound recording of the performance) copyrights. Salaries would be paid to essential staff, so this could be a viable structure that attracts both the better artists and skilled staff.⁴

Recent democratizing developments make this option very feasible. We now have inexpensive, high-quality recording equipment and computer-based mastering; full service, on-demand printers and manufacturers; national independent distribution; boutique marketing and promotion companies; inexpensive digital video cameras and computer-based editing; inexpensive and easy to use website, multimedia, and DVD authoring software; and web-based radio.

Interim Models for Ethnomusicologists

Projects to consider for ethnomusicologists interested in moving in the direction of starting an alternate business structure might be:

University-based Nonprofit Companies

Why not start university-based record companies patterned after university presses? University infrastructure and resources could be extremely useful. These include:

- Talented and creative students who may participate in intern training for credit from departments such as graphic arts, recording, media communications, business, law, or ethnomusicology
- Computer and multimedia labs
- Grant funding
- Archives
- Venues
- Radio stations and facilities for production of syndicated radio shows

In addition, the prestige of educational institutions can help immunize against possible unfair business practices of a very jealous music business monopoly.

Cooperatives of Ethnomusicologists

Many ethnomusicologists have recorded music that they feel may have a wider public audience than the academic community. Making these recordings part of CD compilations for widespread release perhaps by a cooperative of ethnomusicologists could work well in

the marketplace. (Favorable copyright licensing arrangements with the artists can help them as well.) Many ethnomusicologists have fascinating video footage that could be made into documentaries for airing on national, local, and educational television. Why not propose a PBS series on ethnomusicology with contributions from many ethnomusicologists?

In summary, I believe artists and ethnomusicologists could form a perfect professional union. There is now an excellent opportunity for a simple, creative, and symbiotic relationship between ethnomusicologists and artists—who have much in common and strong affinity—one which builds a healthy alternative to the monopolistic corporate “entertainment industry.” Successful business models may replicate themselves spontaneously everywhere, and culture can only benefit as a result.

Notes

1. See http://www.salon.com/ent/feature/2002/03/13/indie_promotion/index1.html

2. For more information, consult <http://www.Futureofmusic.org>

3. The only thing required of a record company by contract is the payment of royalties, while much indeed is required of the artist. The very existence of a recording on which royalties are due is proof that the artist has done her part already.

4. Naturally, the success of any music business endeavor depends primarily upon the viability of the music offered by them. Thus, the ability to attract quality artists with followings and to keep the artists happy by paying them properly is of the utmost importance.