
**Institutionalizing Entrepreneurs –**

**The Case of Brazil’s Forum for Cultural Rights**

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This is the story of how Brazil’s cultural sector actively engaged in entrepreneurship in their effort to safeguard the local cultural scene from potential macro-level threats. Specifically we unpack here how these cultural agents demonstrated their institutionalizing entrepreneurial work as they collaborated in the lobbying for cultural policies and specifically the Lei Rouanet (or Rouanet Law) as a key source of funding for cultural production in Brazil (The Brazil Business 2014). The Lei Rouanet is a unique three-part fundraising policy that includes a Cultural National Fund (based on lottery funds), a tax-deductible patronage scheme, and a Cultural and Artistic Investment Fund (which is not yet operable). The most successful of these initiatives, and the key source of funding that Brazil’s cultural sector is fighting for, is the tax-incentive sponsorship or patronage scheme. This cultural patronage works as a very attractive and efficient tax incentive that allows companies and individuals to use a percentage of their income tax (4% for corporations and 6% for individuals) to sponsor cultural events in theatre, dance, the visual arts, literature and music. It is worth noting that companies greatly outweigh individuals taking part in the scheme with 98,35% versus 1,65% of investments in sponsorship since the introduction of the law in 1991 (Menezes 2016). Recently this federal law has come into question by members of parliament, the press, and consequently the general public (who voice their opinion very openly through social media) due to some unfortunate yet highly visible incidents of misuse of funds as well as poor marketing of the law to the wider public as being instrumental in financing cultural events across the country. Since the introduction of the law back, professionals working in the creative industries have witnessed a mammoth rise in cultural events, with over 35 thousand cultural projects being financed by Lei Rouanet and Reais 14 billion (US$ 4.5 billion) of tax payers money invested in the arts (Menezes 2016). In the last two years alone, Lei Rouanet has financed over 1500 theatre productions, nearly 500

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1 The Cultural National Fund (Fundo Nacional de Cultura), destined solely to Ministry of Culture projects, raises a fraction of what the tax-deductible patronage scheme does.
dance shows, over 550 art exhibits, and just under 1500 music events. *Lei Rouanet* not only enables the production of a wide variety of cultural events across the country, but it also helps to democratize the arts and make cultural consumption accessible to all: thanks to the law, cultural events are able to offer 10% free tickets for low income families, 20% of tickets sold as Cultural Vouchers (*Vale Cultura*), and 20% free entry for state schools and libraries. Many events, including museums exhibits, concerts, and art education sessions, have been offered completely free of charge. The law is not merely a fundraising tool; it is also instrumental in the democratization of culture, especially in a country like Brazil where social inequalities are still rife.

Without *Lei Rouanet* cultural organisations would be forced to rely on philanthropy (which is very uncommon in Brazil) or direct government funding (which largely ignores the arts over other more pressing issues such as health, education and even sports), so that *Lei Rouanet* is instrumental in fostering national culture. Triggered by macro-level pressures, we witness how individuals, groups and organisations in the field of cultural production take on the role of institutionalizing entrepreneurs as together they collaborate in safeguarding this vital cultural policy. Set within the context of the Brazilian cultural sector, and narrowly looking at the recent emergence of an organized Forum (*Fórum Brasileiro pelos Direitos Culturais* or The Brazilian Forum for Cultural Rights, from now on referred to as the ‘Forum’) that advocates, among other issues, for the need for and legitimacy of *Lei Rouanet*, our findings go well beyond the geographical and industry limitations of our chosen case study, as we make considerable contributions to the field of organisational studies, arts marketing, entrepreneurship, as well as contributing to the on-going conceptualization of institutional entrepreneurial work more specifically.

Ours is a story that is uniquely told from both scholarly and practitioner perspectives. Thanks to the nature of the authorial duo, the first author being a Marketing academic and the
second author an industry specialist with over 30 years experience on the Brazilian cultural scene and active member of the Forum, we are able to weave rich and innovative first-hand data with relevant marketing and managerial theoretical narratives for a fascinating account of institutional entrepreneurship in the making. To tell our tale we adopt a case study approach (Eisenhardt 1989; Eisenhardt and Graebner 2007) demarcating our scope and representation (Gephart 2004), meaning that we focused on a specific organisational field (the cultural sector), geographical setting (Brazil), and within a given timeframe (since the establishment of the Forum in June 2016). In doing so, our case study is presented as a powerful example of a ‘real world’ social phenomenon that provides valuable insight into the fields of arts marketing and management, with notable contributions to the on-going debate on institutional entrepreneurship.

For our study, we first of all unpack the paradoxical concept of institutional entrepreneurship as we provide the reader with a brief overview of the relevant literature in this area. Secondly we anchor our study in the cultural field, coupling as we do the entrepreneurial activities of Brazil’s Forum members with key aspects of institutional work (Lawrence and Suddaby 2006; see also DiMaggio and Powell 1991 for action theory and new institutionalism). We end our tale with lessons that can be taken from this study and how our findings contribute to the field of Marketing and Entrepreneurship more generally.

The Paradox of Institutional Entrepreneurship

The term institutional entrepreneurship is a paradox in itself, as it simultaneously implies stasis and creativity (Battilana, Leca and Boxenbaum 2008). As unusual bedfellows, institutionalism and entrepreneurship are opposing concepts that entail the reinforcement of conformity whilst at the same time stimulating change within objectivated fields (Garud, Hardy and Lawrence 2007). If we throw the creative industries into this already potent mix, as we do
here, we have a very promising recipe for success and a case worthy of scholarly study. Marketing scholars have already hinted at the relevancy of the arts in furthering our understanding of entrepreneurship and business studies more generally (Fillis 2002, 2004, 2010; Schroeder 2005; Rodner and Kerrigan 2014). The field of cultural production lends itself well to the study of institutionalism and entrepreneurial work. Since the 1970s sociologists have explored institutionalism in the arts (Danto 1964, 1981; Dickie 1974; Becker 1982). Becker (1982) observed how people, including those working within the cultural field, are embedded within social frameworks that allow them to carry out their institutionalizing work (see also DiMaggio 1987; Battilana 2006). Our own case shows how members of the Forum are firmly embedded in the field (of cultural production) and therefore have the necessary authority and social capital to advocate for policies that risk being thwarted, changed or even discarded by the incoming government. After unpacking the concept of institutional entrepreneurship in more detail, we will explore how Brazil’s Forum members brought these institutionalizing entrepreneurial activities to life.

Within the field of organisational studies, DiMaggio (1988) coined the term institutional entrepreneurship in his seminal paper on institutional agency, where he examined how organised actors contributed to the ‘genesis’ of alternative institutions, despite the inherent rigidity and constraint of their field. Building on Eisenstadt’s (1980) work on institutional agents as catalysts for structural change, DiMaggio (1988) argued that institutional entrepreneurs help to change and/or shape alternative forms of organisational practice, despite the constraints of their institutional environment, thanks in great part to their social capital and access to resources. Testifying to the heterogeneity of the term, institutional entrepreneurs can be organisations, groups of organisations or groups of individuals that have sufficient resources at their disposal to instigate change. Our study on the institutionalising entrepreneurial work carried out by Forum members evinces the multiplicity of interested parties, including as it
does individuals, groups and organisations in the shape of orchestras, musicals, libraries, museums\(^2\), producers and curators, galleries and cultural centres, theatre and dance companies, lawyers, charitable organisations, and fundraisers, to name a few. Despite the multiplicity of the organisational makeup of the Forum members, they share a common interest to fight for the rights of the cultural sector and maintain current policies intact.

Over time, institutional discourses and practices become objectivated, taken-for-granted, and culturally accepted understandings (Berger and Luckmann 1967; Scott, 1987) in that they “specify and justify social arrangements and behaviors”\(^3\) (Garud, Hardy and Lawrence 2007, p. 958). These behaviours tend to perpetuate rather than change as individuals and groups operating within institutions view the *modus operandi* as objective reality and therefore aim to comply with (rather than defy) the *status quo*. Entrepreneurship on the other hand, implies high levels of creativity, initiative, vision and a desire to break with the dominant institutional logic. Entrepreneurs must successfully contextualise their alternative discourses and practices in order to be considered legitimate in the field and so as to attract others in their quest for newness. Lounsbury and Glynn (2001) argue that cultural entrepreneurs tell “stories” that help craft new identities for members of the organisational field whilst conferring legitimacy in the work they do. Therefore, whereas institutionalism centres on continuity, entrepreneurship focuses on change, making this a powerful concept for unpacking how change and innovation occurs within institutional fields.

Since DiMaggio (1988), institutional theorists have tried to unpack the paradox that is institutional entrepreneurship, which alludes to the classical debate on structure versus agency

\(^2\) It is important to highlight that many museums in Brazil are not state owned, like it common in Europe, but rather run like private not-for-profit foundations. Cultural organisations that are government-run either belong to the city, the state or the province and rely on subsidies. The State of Sao Paulo is recognized for its large concentration of museums, including government-run institutions, making it the country’s cultural center.

\(^3\) Scott (1987) elaborates on institutional logics in that they are taken-for-granted social prescriptions that guide behavior of actors in the fields. They represent a field’s shared understandings of what goals to pursue and how to pursue them.
(on the ‘paradox of embedded agency’ see DiMaggio and Powell 1991; Friedland and Alford 1991; Holm 1995; Seo and Creed 2002). Institutional entrepreneurship is therefore understood to be the “activities of actors who have an interest in particular institutional arrangements and who leverage resources to create new institutions or to transform existing ones” (Maguire, Hardy and Lawrence 2004, p. 657). Thanks to these resources, institutional entrepreneurs are able to “narrate and theorize change” within their field (Garud, Hardy and Lawrence 2007, p. 962) or engage in “storytelling” (Lounsbury and Glynn 2001), thanks to their “social skills” in Fligstein’s (1997) terms or “social capital” à la Bourdieu (1984/2008, 1993; see also Coleman 1988). These social skills or social capital “motivate cooperation of other actors by providing them with common meanings and identities” (Fligstein 1997, p. 397), which in turn helps these institutional entrepreneurs to foster networks of cooperation and redirect interests and power into alternative organisational fields (Garud, Hardy and Lawrence 2007), meaning that institutional entrepreneurship is a highly political process (DiMaggio 1988; Fligstein 1997). In short, social skill implies collective action on part of organisational actors in the pursuit of engaging others in common goals (Fligstein and McAdam 2011). Building on this, Dorado (2005) refers to institutional actors’ “social position” within the field, meaning that they are in the optimal position of having access to the resources within their network needed to enable their entrepreneurial activities to take shape. Thanks to this preferential social positioning within their network, institutional entrepreneurs, such as the cultural agents in our case study, confer legitimacy onto the work they do and are capable of bridging their discourses and activities to a variety of stakeholders (Battilana, Leca and Boxenbaum 2008).

As activists, institutional entrepreneurs mustn’t work alone, but rather rely on the collaborative action of others to ensure the success of their activities (Dorado 2005; Battilana, Leca and

4 Suchman (1995) notably defined legitimacy as “generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (p. 574).
Broxenbaum 2008), in doing so they bring various stakeholders together as they “champion and orchestrate” collective action (Maguire, Hardy and Lawrence 2004).

This ‘collective action’ will be deemed legitimate by others thanks to the entrepreneurs’ role as meaning-makers or symbolic interpreters in their given field (Garud, Hardy and Lawrence 2007; see also Gioia and Chittipeddi 1991 on sense-making). In our chosen context we see how members of the Forum become (thanks to their social capital) interpreters of the cultural field and legitimationally justify the need for Lei Rouanet in the field of cultural production. Deemed legitimate within their institutional field, Brazil’s cultural entrepreneurs have the authority (or legitimately recognized right) to propagate the desirability, importance and value of policies such as Lei Rouanet so as to lobby for its permanency despite macro-level threats (see Bourdieu (1980) on cultural entrepreneurs).

Therefore, in an odd twist of events, we argue that institutional actors can also reveal their entrepreneurial nature by perpetuating prevailing discourses and practices, which are currently under threat. In this sense, institutionalising entrepreneurs can utilise their available resources and position within the field to narrate and theorize continuity rather than change. More than creating or transforming existing institutions, our Forum members behave like activists that advocate for the legitimacy of and need for prevailing institutional orders that if thwarted or eliminated completely would greatly jeopardise the cultural sector as a whole. As argued by Fillis and Telford (in this manuscript) entrepreneurship needs not to be solely about the new but can also encompass innovative ways of dealing with the status quo. Previous studies have argued that only institutional actors who break with the dominant logic(s) and develop alternative rules and organisational practices can be considered entrepreneurial (Battilana 2006, p. 656). We consider this definition limiting however, as it ignores the work being carried out by institutional actors who aim to maintain certain discourses and practices but do so in an innovative fashion. Ours is a case that shows how cultural agents demonstrate
their institutionalising entrepreneurship by actively advocating for the *status quo.* In the work they do, Forum members endorse and legitimise prevailing institutional praxis, actively market and rebrand existing policies for broader acceptance, put their competitive nature to one side for a common goal, and successfully circumvent government actions that threaten the very workings of their industry.

Rather than challenging hegemonic institutional discourses and practices, Forum members act like ‘modern princes’ in Levy and Scully’s terms (2007) that safeguard the princess (cultural policies under threat) from the fire-breathing dragon (government-level changes and lack of public support) to ensure the happy-ever-after ending (*Lei Rouanet* left intact). Now we unpack how these brave cultural agents put their institutionalising skills and entrepreneurial efforts to work as together they safeguard the key source of fundraising for Brazil’s cultural sector.

**Fighting for Cultural Rights – the entrepreneurial work of the Forum**

*The Birth of the Forum*

The Forum was created in June 2016 when it became clear that *Lei Rouanet* was under attack and risked being unfairly audited, severely restructured or even completely eradicated by the incoming government. Corruption scandals, misuse of funds and severe auditing inefficiencies on part of the Ministry of Culture made some members of Parliament and newly appointed government officials of the Ministry of Culture question the legitimacy of the policy as they associated it with the previous administration (The Workers Party, *Partido dos Trabalhadores*). To remedy this, the government wishes to increase its control over the workings of the law and thoroughly audit how funds have been allocated in the past. Renowned for its bureaucracy, Brazil is a nation whose Ministries move at glacial speed and the Ministry of Culture is no exception to the rule. With a considerable backlog amounting to over 20 years worth of cultural events, the Ministry faces an auditing marathon that is essentially impossible
to complete (Bergamasco and Masson 2017). Even when cultural organisations have the available paperwork to hand, they risk being scrutinised based on today’s rigor for events that took place in the past, meaning that they would be unfairly audited and subsequently revoked of their funding. For companies like Tjabbes’, it would probably result in certain bankruptcy:

Given that the requirements for *Lei Rouanet* become stricter over the years, if the Ministry of Culture were to assess one of my projects from ‘x’ years ago, it would fail to comply, meaning that we would need to refund the government millions of Reais… Of course one could appeal such cases in court, claiming poor management practice on part of the Ministry, but even if you won [against the Ministry of Culture] you will forever be on their radar… I live in fear of getting one of those official audits in the post. (Pieter Tjabbes)

With high media coverage (Varella 2016), the Ministry’s and Public Prosecutor’s hunt for fraudulent use of *Lei Rouanet* funds helped fuel the public’s already negative opinion, who considered the law to be a money-making rather than a fundraising tool, used by successful cultural acts (such as famous singers and celebrities) to make an extra profit from their shows (Borges and Bittar 2017; *The Brazil Business* 2014). These misconceptions were largely the product of poor marketing and negligible branding of the law, which meant that the public failed to associate a cultural event with *Lei Rouanet* financing. The job of the Forum was to fight for the country’s cultural rights by advocating for the law on an official level, legitimising its function within the cultural economy, and promoting the policy for the general public.

The Forum is now made up of over 100 members and is incredibly heterogeneous in its makeup as we mentioned above. Membership is representative of the national cultural panorama, with organisations from the North East to the southern tip of Brazil. Nevertheless, the majority of are located in São Paulo, as the country’s key cultural hub, and 80% of membership is concentrated in the South East of the country. Initiated by Brazil’s cultural heavyweights, the Forum has no president or formal hierarchical structure as such.
Nevertheless, natural leadership is shown by *Itaú Cultural*\(^5\) Director Eduardo Saron, actor and theatre producer Odilon Wagner, lawyer Cris Olivieri and Maria Ignez Mantovani from *Expomus* (an arts production agency that works closely with museums). This leadership, as is the Forum’s membership, is concentrated in São Paulo as the country’s inarguable cultural hub. This concentration of cultural clout can, of course, pose challenges for the Forum:

That is a reality… São Paulo determines what is going to happen (on the cultural panorama) and we have to be very careful that we don’t think about São Paulo, but we think about Brazil (when taking decisions at the Forum). We don’t want members fearing that we are voting for São Paulo-based control over the art world.

(Pieter Tjabbes)

Despite this apparent concentration of power, Tjabbes assures that fellow members from more provincial regions of the country do not yet question the organisational make up of the Forum, and are grateful that someone has taken the initiative to safeguard the country’s cultural sector:

It is not a problem now, because everyone is happy that somebody is doing the job. Now we are just saving the country and everyone in the Forum sees that that is necessary and no one questions that there are so many people from São Paulo, because they think ‘Oh, thank God someone is doing this!’

To ensure a continued communication (as well as national scope), Forum members meet regularly in different cities across Brazil. Table 1 lists the various venues where they have held meetings since June 2016 up until publication of this study.

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\(^5\) *Itaú Cultural* is the cultural wing of one of Brazil’s largest banks, *Banco Itaú*, and one of the biggest user of *Lei Rouanet* funding.
As a way to give the Forum purpose, several working groups have been established. Each of these groups, made up of between 6 to 10 members, focuses on a specific task at hand and reports back to the Forum at the general meetings. Finding real-world solutions to their real-world problems, the working groups act like unofficial consultancy firms for the Ministry of Culture, focusing their efforts on key areas including the impact of the cultural economy, governance and the democratisation of culture, improvements for Lei Rouanet and other cultural policies, and the professionalization of cultural managers. In Table 2 we synthesise the institutionalising work being carried out by each of these working groups.

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<th>Working Groups</th>
<th>What they do</th>
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<td>Bring the cultural production of marginalized sectors of the community - rural and urban slums (or favelas) – to the fore and</td>
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Table 2. The Forum’s different working groups and function of each group
| **Democratisation of Artistic Discourses** | Legitimise these cultural expressions as valid, national representations. Break the stereotypes and stigmas associated with these peripheral art forms, thereby making arts production more democratic and accessible. |
| **Cultural Economy** | Strengthen the cultural sector as a pillar of the national economy and instrumental for the general development of the country. Quantify and map out Brazil’s cultural economy with detailed information regarding: number of visitors of cultural events, generated income, employment of the cultural sector, socio-economic impact of the cultural sector, international positioning. |
| **Governance and Good Practice** | Pact for ethics, transparency and good governance. Highlight areas of improvement of cultural policies and cultural management more generally. Adherence to the pact is a requirement for participating in the Forum. |
| **Arts Policies** | Development of new and improvement of already existing national policies for the arts. Formulate a new model for the National Council for Cultural Policies to encompass all regions of the country. Strengthen the work carried out by the Ministry of Culture. |
| **Municipal Policies** | Advise newly elected City Councils. Suggestions include: recognition of the Forum as a strategic interpreter of the field of cultural production; guarantee a minimum budget for culture of 1.5%; map out existing cultural installations of each municipality and offer plan of usage; assess and map the city’s historical heritage sites; suggest potential partnerships with public bodies. |
| **Professionalization of Cultural Management** | Define the job description for a Cultural Manager and identify ways individuals can get accreditation in this field through formal courses or work experience. A Cultural Manager is a professional who manages all the cultural projects and activities for companies and organisations. Promote the importance of having an accredited Cultural Manager in every private and public sector organisation. |
| **Reformation of Lei Rouanet** | The Forum argues against the replacement or elimination of *Lei Rouanet*, but rather offers structural improvements. With over 25 years experience in the production and management of cultural event using *Lei Rouanet* funds, Forum members propose realistic solutions to current issues with the law and envision areas of improvement. |
| **Marketing and PR** | Liaising with the press and public; managing the Forum’s digital presence through its website and Facebook account. |

To be sure, the work carried out by these various groups within the Forum lies well beyond the scope of what the cultural sector, made up of private, non-governmental and public organisations, should be doing. It is important to note that the Forum is not an official, legally registered organisation as such, but rather a concentration of active members who work together towards a common goal: “We are not official. We are not an institution. We are not
an association. We have no judicial status. We are just a group of people that get together”, explains Tjabbes. Nevertheless, evincing the institutionalising skills of these cultural entrepreneurs, Forum members are essentially carrying out the duties of the Ministry of Culture, as they measure the impact of the cultural economy on a national scale, improve and police the use of cultural policies such as Lei Rouanet, focus on the socio-economic impact of cultural events, and market these policies for wider acceptance. Keen to communicate the work they are doing to the general public, the Forum regularly updates their website (www.fbdc.com.br) and Facebook account with details on the what each of the Working Groups has achieved. They also print informative booklets and leaflets to hand out to potential sponsors.

As institutions are “discursive products” (Phillips, Lawrence & Hardy 2004, p. 638), institutional entrepreneurs use a discursive strategy in the legitimisation of the work they do. In their publications, Forum members are essentially weaving new legitimate discourses (and eradicating old ones) for the wider public. As well as weaving a legitimate discourse through their physical and digital publications, the Forum is also carrying out important institutional work in quantifying and recording the country’s cultural production, national attendance and how Lei Rouanet is instrumental in financing cultural events. Although highly laborious and time consuming, this collection and quantification of data (through regular census) helps present a much stronger case by evincing numerically how the law has a very palpable societal, cultural and economic impact on the country. This measurement of national cultural production correlated with Lei Rouanet funding is also indicative of the soft power (Nye 2004) that the Forum members have on the national cultural economy. For instance, Tjabbes alone has had over 5 million visitors in the past five years with his arts production company Art Unlimited, and notably put Brazil on the global (art) map for attendance rankings thanks to his M.C. Escher exhibit at Rio’s CCBB (Centro Cultural Banco do Brasil) back in 2011 with a record breaking
9,700 visitors per day (Marti 2013; Lopes 2012), making it the world’s best attended art show that year.

As well as publishing in house catalogues and updating their site with information, the Forum has also held a seminar on the Cultural Economy with potential organisational sponsors and plans to organise more in the coming months to cover other aspects of the Working Groups (see Table 2 above). Transparency and communication are key for the Forum’s success. The name itself, ‘the Forum for Cultural Rights’ indicates that the public’s interest (rather than the organisation’s) lies at the heart of this association, so that “It is a Forum where all opinions can be heard… we are not a group interested in ourselves. We are interested in building a relationship with the public, with the press, and with those in power (i.e. government)”, explains Tjabbes.

These collaborative efforts among members of the Forum will have an impact on the country’s cultural panorama thanks to the social skill (Fligstein 1997) and social position (Battinala 2006) of these entrepreneurial agents. That is, Forum members have the necessary know-how and status within their field to actively advocate for the safeguarding of the Lei Rouanet to the government and successfully market it to the wider public. Nevertheless, this collaboration requires some key institutionalising qualities that we will explore in more detail later. First, however, we unpack briefly what instigated the emergence of the Forum and how members – as cultural agents – reacted to their environment.

*Exogenous pressures trigger entrepreneurial action*

It is understood within the field of organisational studies, that entrepreneurial action within institutions can either be triggered exogenously or endogenously (Fligstein 2013; Battilana 2006). In our study we witness a very rapid response to exogenous change, whereby
the emergence of Brazil’s own institutionalising entrepreneurs comes as a direct reaction to field-level turbulence that interrupts (or threatens to interrupt) the *status quo*.

After the very public and controversial impeachment of President Dilma Roussef in March 2016, the incoming government claimed that the Workers Party (PT) had misused Ministry of Culture funds for political rather than cultural purposes. As well as allegedly financing (some) political events, the *Lei Rouanet* came into question when certain musical acts applied for funding when in fact they could produce their shows based solely on ticket sales, meaning that these acts were using *Lei Rouanet* to make an additional profit, which should not be the case. Funnelling available funds from company or individual tax deductions means that other more needy events are left without sponsorship. A noteworthy failure of the law in 2006 forced the Ministry of Culture to tighten its requirements, when the world-famous Cirque de Soleil was able to raise some Reais 9.4 million ($3 million) from *Lei Rouanet* but continued to charge between Reais 300 – Reais 600 for tickets ($100-200), making a considerable profit whilst limiting attendance to the socio-economic elite. As a consequence, public opinion of the law was severely damaged, in that “people felt it was not fair that a company could raise that much money from public funds and still charge such high entrance fees for an exclusive audience”, explains Tjabbes. In light of this, the Minister of Culture of the time required the Canadian Firm to offer 20% of tickets at affordable prices and another 10% free of charge. From then onwards, all events financed by *Lei Rouanet* were expected to have clear social outreach initiatives, making the arts more accessible to all.

Despite this fine-tuning of the law - or “piecemeal change” in Fligstein’s terms (2013) - to now always consider the societal impact of the cultural event in its application for funds, there remains considerable negative public opinion towards the policy. Given the poor

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6 One corruption scandal that was particularly damaging for *Lei Rouanet*, was when an art producer (Bellini Cultural) used funds to host luxurious, closed events. Over a period of 10 years, this particular production company raised over Reais 180 million ($60 million) in such events, which essentially do not comply with the requirements of the policy. The Ministry of Culture is partly to blame for such abuse of the system, given that it
marketing of the law (and negligible branding), people fail to see that all cultural events in the country are essentially financed by Lei Rouanet, and therefore made more affordable. To correct these misconceptions, Forum members become active marketers in the institutionalising work that they do, by rebranding and promoting the Lei Rouanet for the wider public. Lei Rouanet takes its name from the Minister of Culture who developed the policy in the 1990s, Sergio Paulo Rouanet. The official name for the law, however, is Federal Law for Cultural Incentive (Lei Federal de Incentivo à Cultura, Law No. 8,313, 1991). Although the typology and logo of the Fiscal Law is clearly placed on every exhibit, alongside other ministerial logos, (see Figure 1) no one relates this image with Lei Rouanet, meaning that the general public does not see that the law has in fact financed the cultural event. To remedy this, the Forum has developed text for a logo for Lei Rouanet to be clearly showcased at all venues where cultural events financed by the policy take place (see Figure 2). In doing so, Forum members behave like institutionalising entrepreneurs, as well as active marketers, in that they are clarifying ‘institutional vocabulary’ for the wider public (Suddaby and Greenwood 2005).

Figure 1. Cultural Incentive Law and Ministry of Culture Logos visible on all cultural events financed with tax money.

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has very poor auditing capabilities and fails to check how the public money has been used. Once officials had sussed out the shady dealings of this one particular organisation, the company quickly changed names and ownership to avoid suspicion. Bellini who ran the organisation is now under trial. This event in particular severely damaged the reputation of Lei Rouanet in the eyes of the public.

7 Thanks to Lei Rouanet, the average entry fee for cultural events in Brazil is under Reais 7 (US$ 2).

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Institutional Frenemies – collaboration and ‘goallessnes’

Although previously these cultural organisations lacked institutional cohesion and could never find common ground, being as they are both varied in their needs and competing in their fundraising, the threat of losing the Lei Rouanet induced the birth of the Forum as a key entrepreneurial initiative to collaborate together for a common goal:

They said, ‘listen we have to do something… if we don’t get together we will be diminished to nothing’. Together we have the power to show that we represent an important part of the cultural world in Brazil.

(Pieter Tjabbes)

We must remember that institutional fields, such as the cultural field, are “socially constructed arenas within which individuals or groups with differing resource endowment vie for advantage” (Fligstein 2013, p. 41), or in Bourdieus terms, actors use their accrued capital to compete with one another for power and status (1984/2008). This rings particularly true for Forum members, who are all essentially competing with one another for cultural prestige and
much-needed funding. On the duality of this friendship, Tjabbes notes how “all the people in that room are fighting with one another … in a good sense. My direct competition is in the Forum. We are all ‘enemies’ but we stick together”; meaning that an external pressure has essentially brought rivals together to work in a proactive and amicable way towards a common goal. The need to collaborate greatly outweighed the desire to compete. This collaboration with one’s direct competition has even engendered the creation of an official new association of arts producers (Association of Cultural Production, Associação de Produção Cultural) within the Forum, so that these frenemies now have a collective voice in their fight for cultural rights. On the emergence of this association, Tjabbes explains the competing yet cooperative dynamic of the group:

I am great friends with my direct competition… the other day, three of us were having lunch together and at that one table we accounted for a considerable part of the country’s visual arts exhibitions. It’s a not a cartel because we really fight for the same projects, but we see that we have to work together … We are even getting closer and have started an association of cultural production because we saw that we had no collective voice in the Forum. Because we (Art Unlimited) are always at the Forum, Expomus is always at the Forum, but the others … the big ones… they are not always coming. So when we talk, we talk for our own sake, for our own organisation. And we were not seen in the Forum as the representatives of all arts production agencies in the country… so that is the reason why we want to have this association. So now we are going to act as a collective, and we are going to be a member of the Forum as a collective as well. When we speak with the Ministry of Culture, we will do so as a collective. Before we were seen as individuals fighting for our own interests and now we will change that into a more collective language.

(Pieter Tjabbes)

What we see then is how fellow arts producers put their differences and competitiveness aside in pursuit of a collective ‘voice’ (of authority) and common goals. This development of an association within the structure of the Forum echoes Fligstein and McAdam’s Russian Doll analogy (2011), whereby one organisational field contains other, smaller organisational fields within it.
When examining the entrepreneurial strategies of skilled workers, Fligstein (1997) notes how the maintenance of a “goallessness” or image of selflessness is key in showing empathy with others within the field and a vested interest in a greater, collective good:

If one appears open to another’s needs and not wedded to any course of action, then others will find that person more attractive and be more willing to allow him or her to be a broker or at least help forge a collective identity.

(p. 400)

As cultural brokers with high levels of empathy, institutional entrepreneurs are able to “abstract from the concerns of others” in their pursuit of collaboration and change (Battilana, Leca and Boxenbaum 2008, p. 10; Mutch 2007; Fligstein and McAdam 2011). By putting their differences aside and overlooking their heterogeneity, members of the Forum showed clear signs of a “collective consciousness” and reciprocity (Battilana, Leca and Boxenbaum 2008; Garud, Hardy and Lawrence 2007) whereby potential tensions and rivalry are put aside in their effort to maintain Lei Rouanet intact:

We agreed on practically everything. And that is something that I have never seen before. Political differences and ideological differences [that are rife in Brazil]… Everything was smoothed out and we all focused on what mattered: the need to defend ourselves… to show others that Lei Rouanet is important. You must not forget… the cultural world lives off Lei Rouanet. The Ministry of Culture is very inefficient and has to finance innumerable small-scale projects, but Lei Rouanet takes on bigger projects that are more appealing and make considerable contributions to the country’s cultural economy.

(Pieter Tjabbes)

As well as evincing their collective consciousness, Forum members demonstrate their entrepreneurial spirit in the ‘sacrifice’ they make: attending the regular meetings across the country, producing and managing printed and digital material, lobbying key government officials, all of which takes time, money and energy that will not be remunerated. One Forum
member captures the camaraderie and cooperative nature of the group in their vision of the Forum:

The Brazilian Forum for Cultural Rights is a voluntary, collaborative and nonpartisan movement made up of managers, institutions, associations and private businesses from the cultural sector that come together to consider, assess and propose activities and public policies in the field of arts and cultural production in Brazil.

As well as bearing the costs of attending Forum meetings (see Table 1), members - and especially those who are part of a Working Group - invest several hours every week in their fight for cultural rights, so much so that there is talk of formalising some of these tasks in the future so as to alleviate the current ‘voluntary’ workload.

As well as investing their time, energy and personal finances in running the Forum, members are also offering their physical spaces and resources to the cause: “We are not an official organisation as such, we are not an NGO. There is no office, no secretary, no structure. Everything is done by people who believe in culture,” comments Tjabbes. To enable communication between members, and especially between the Working Groups, given the lack of any formal infrastructure, the Forum uses Whatsapp as a key communication platform. Although a highly efficient mechanism, with some 100 members a collective Whatsapp group of this magnitude can have a dizzying effect on the user, confesses Tjabbes. It shows nonetheless the enthusiasm and zeal of the Forum members, as they continuously share (and comment on) information regarding the country’s cultural panorama.

As well as networking among themselves, it is key for the Forum to liaise directly with the government. When the new Minister of Culture, Marcelo Calero, was appointed under the Temer administration, the Forum quickly got in contact and arranged a meeting with the Minister. Young, ambitious, and very engaged with the arts, the previous Secretary of Culture
of Rio de Janeiro, seemed like a breath of fresh air to members of the Forum. Unfortunately within a few short months of his appointment, Minister Calero stepped down in a very public manner, on the basis of political pressure and blackmail from the now ex-minister Geddel Vieira Lima regarding a building in Bahia that did not comply with regulations\(^8\) (Globo 2016; Folha de S. Paulo 2016). With the swift appointment of a new Minister of Culture, Roberto Freire, with little experience in the arts, the Forum finds itself at square one once again. In their February meeting (2017), hosted in the nation’s capital, Brasilia, the Forum presented itself to Minister Freire and made a strong case for the work they are doing. Lobbying lies at the heart of the institutionalising work of these cultural entrepreneurs.

*Expanding a taste for the arts*

Previous studies have shown how external forces shape the cultural panorama and can effectively dictate a taste for the arts (Alexander 1996; Bourdieu and Haacke 1995; Chong 2013). In her work on museum curatorship, Alexander (1996) notes how “external parties” that fund museum exhibits can range from government agencies to individual philanthropists, public foundations to private corporations, and depending on each of their goals, the outcome of the art that is chosen to be showcased may differ enormously, so that “museums are highly dependent of concentrated sources of funds for exhibitions [and] mount shows that conform to funder preferences” (p. 799). If a country’s cultural panorama is essentially dictated by ‘funder preferences’, then companies and individuals taking part in *Lei Rouanet’s* patronage scheme (i.e. tax deduction destined for the arts) are determining Brazil’s cultural panorama: *what* gets funding and *where* the cultural event takes place (*The Brazil Business* 2014). As well as focusing on blockbuster shows that are sure to attract large number of visitors as well as having

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\(^8\) Unwilling to take part in the corruption issue, Calero preferred to denounce the people involved even if that cost him his job in office. The magnitude of the scandal was considerable, given that Calero had telephone recordings of President Temer himself pressuring him to sign off paperwork that went against building laws.
visible and positive co-branding effects (Rentschler, Bridson and Evans 2014), there is a clear centralisation of cultural projects in Brazil, something the government is keen to tackle (Borges and Bittar 2017) where over 2/3 of events are hosted in the South East of the country, due to the amalgamation of people, wealth, infrastructure, and interest for culture. In Figure 3 (below) we see how much of the Brazilian territory has been deprived of cultural investment, with a high concentration of Lei Rouanet funded projects in cities such as São Paulo, Rio de Janeiro, Belo Horizonte, and to a lesser extent Curitiba, Brasilia, and Porto Alegre ⁹ (Menezes 2016; Fórum Brasileiro pelos Direitos Culturais 2016). Given that Brazil’s cultural panorama survives on Lei Rouanet’s tax deduction scheme, the private sector (i.e. companies and individuals taking part in this cultural patronage) is essentially shaping the country’s artistic landscape and dictating a taste for the arts. Needless to say, this concentration of cultural power has been of concern for the government and the general public.

⁹ As a means of improving the cultural infrastructure in the provinces, the Lei Rouanet requires the use of 20% of local labor in the host city, so that a dance production hosted in Manaus (Amazonia) must employ local workers during the event. Although costly for the production company, as it usually requires considerable training and professionalization of the local workforce in these provincial locations, the initiative helps expand culture across this vast nation and prepare these cities for future events, thereby helping in the gentrification of peripheral Brazil.
As a means of correcting this and avoiding judgments of ethnocentricity, members of the Forum propose structural changes of the law to the Ministry of Culture, whereby instead of penalising cultural organisations in the South East of the country for their high volume of events, there should be further tax or financial incentives for sponsoring cultural projects in Brazil’s northern provinces. There is a flipside, of course, to this decentralisation of culture in the country’s megalopolis: with added tax benefits geared at remote areas of the country, São Paulo or Rio based companies, such as Art Unlimited, have to work even harder to secure their funding through Lei Rouanet. Nevertheless, Forum members agree that an expansion of the arts is crucial for the success and sustainability of Lei Rouanet in Brazil. In parallel to broadening the cultural panorama through a decentralisation of cultural projects, Forum members would ideally like to see a strengthening of the National Cultural Fund, that is, the lottery-funded projects administered by the Ministry of Culture to help cover more of the national territory and in particular take over smaller scale projects in the provinces.

As well as acting like important consultants with clear initiatives for improving the law, from the first official meeting in July 2016, it was clear from the agenda that the pioneering members of the Forum wanted to include cultural organisations from across Brazil: from the North East to the Amazon to the industrial heart of the country in the South East, the success of the Forum would lie in great part in the national representation of its members.
Final thoughts

*The Role of Institutionalising Entrepreneurs*

In our narration of Brazil’s Forum for Cultural Rights we have woven theory and practice seamlessly together for a vivid account of institutional entrepreneurship in the making. Within our chosen context, we have brought the institutionalising work of cultural entrepreneurs to the fore, contributing as we do to the on-going debate of this paradoxical term. We demonstrate here, how institutional entrepreneurship needs not to be limited to the development of new and alternative organisational fields, or pure innovation within the strictures of institutions, but may also encompass the entrepreneurial work of individuals, groups and organisations that together circumvent macro-level pressures that threaten the legitimacy and permanency of an already established institutional order.

Forum members are entrepreneurial in their proactivity, passion and creativity. Faced with ambiguity, they show their entrepreneurial nature in their quick response to uncertainty and potentially threatening circumstances. They also demonstrate their entrepreneurial qualities in their innovative efforts to rebrand, market and disseminate *Lei Rouanet* to their target audience (government officials and potential donors) as well as to the general public. Forum members are institutionalising in the work they do by showing their empathy for others in pursuit of common goals. Thanks to their available resources, social skill and social position, Forum members are able to innovate, liaise and legitimise discourses and organisational practice for common acceptance. Therefore, Forum members – as institutional entrepreneurs and influential within their field - should be taken seriously by stakeholders, given that their social capital, formal authority, and legitimacy.

Our study, therefore, expands on the term showcasing that institutional entrepreneurs are not only those that break away from dominant logic but also those that advocate for its permanency in an innovative and creative way. Here, we witness how Brazil’s arts
professionals become entrepreneurial institutionalising activists as they fight for the rights of
the cultural sector and strongly advocate for the permanency of Lei Rouanet, which has been
wrongfully demonised and targeted by the government and the general public.

Apart from our contributions to the field of institutional entrepreneurship, there are
valuable lessons to be learnt from the brave, new work carried out by Brazil’s Forum for
Cultural Rights.

Firstly, we respond to the need to look further afield to feed the growing literature on
Marketing and Entrepreneurship. Within the realm of institutional theory, our case study also
answers the call for further studies on the multiplicity of actors, where individuals, groups and
organisations work together for a common goal. Secondly, our study also brings to the fore the
impact that the macroenvironment can have on industry, showcasing as we did here how
macro-level shocks (namely government threats and poor public opinion) triggered
entrepreneurial action. Thirdly, we bring the peripheral to the centre, holding up a magnifying
glass to the vivid case of Brazil’s cultural sector. Despite a weathered globalisation discourse
across all fields, there remains an extremely strong concentration of scholarly literature (in
Marketing, Entrepreneurship and Organisational Studies) centred on the dominant West. Given
the growth of emerging superpowers, such as Brazil’s, in economic, social and cultural terms,
it is important to reconsider the hegemonic discourses that continue to favour those operating
within the centres of the ‘modern’ world. And lastly, we have provided a rich account of a
highly effective and inventive way of financing the arts. As we have seen here, Lei Rouanet’s
patronage scheme encourages substantial support for culture on a national level, courtesy of
the private sector, whilst providing the Ministry of Culture with considerable control in the
decision making process and auditing. Looking at Brazil’s cultural growth over the past couple
of decades since the law was first decreed, other nations could follow suit and adopt similar
cultural policies that encourage and safeguard arts funding, even during times of financial crisis.

As well as being of noteworthy scholarly interest, our study on Brazil’s Forum for Cultural Rights and the country’s innovative *Lei Rouanet* scheme will be of particular interest for practitioners in the cultural sector, arts and cultural managers, and policy makers as well. The entrepreneurial zeal and institutionalising skills of Forum members make a strong case for *Lei Rouanet* for Brazil and beyond.

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