INTRODUCTION: CHANGE AND CONTINUITY, POWER AND CREATIVITY

An overview of some changes – and the importance of continuity 1
Why do the cultural industries matter? 3
The cultural industries make and circulate texts 3
The cultural industries manage and circulate creativity 4
The cultural industries are agents of economic, social and cultural change 6
Outline of the argument 8
Matters of definition 11
Alternative terms 15
From ‘The Culture Industry’ to the cultural industries 15
Industries that make texts: the distinctive features 17
Risky business 18
Creativity versus commerce 20
High production costs and low reproduction costs 21
Semi-public goods 21
Misses are offset against hits by building a repertoire 22
Concentration, integration and co-opting publicity 22
Artificial scarcity 23
Formatting: stars, genres and serials 23
Loose control of symbol creators, but tight control of distribution and marketing 24
Author to reader 25

AN OVERVIEW OF SOME CHANGES – AND THE IMPORTANCE OF CONTINUITY

Nearly all commentators accept that the cultural industries have undergone remarkable transformation since the early 1980s. Here are some of the major changes I intend to deal with in what follows.

- The cultural industries have moved closer to the centre of the economic action in many countries and across much of the world. Cultural industry companies can no longer be seen as secondary to the ‘real’ economy where durable, ‘useful’ goods are manufactured. Some of these companies are now vast global businesses and are among the most discussed and debated corporations on the planet.
The ownership and organisation of the cultural industries have changed radically. The largest companies no longer specialise in a particular cultural industry, such as film, publishing, television or recording; they now operate across a number of different cultural industries. These conglomerates compete with each other, but, more than ever before, they are connected – with each other and with other companies – in complex webs of alliance, partnership and joint venture.

Despite this, there are also more and more small-and medium-sized companies in the business of culture and there are increasingly complex relationships between large, medium and small cultural companies.

Cultural products increasingly circulate across national borders. Images, sounds and narratives are borrowed and adapted from other places on an unprecedented scale, producing new hybrids but also, for some, reaffirming the value of cultural authenticity. The long-standing domination of cultural trade by the USA may be diminishing.

There has been a remarkable proliferation of new communication technologies, most notably the Internet, and of new applications of existing technologies.

The way that the cultural industries conceive of their audiences is changing. There is greater emphasis on audience research, marketing and addressing ‘niche’ audiences.

Cultural policy and regulation have undergone significant shifts. Long-standing traditions of public ownership and regulation have been dismantled. Important policy decisions are increasingly carried out at an international level. At the same time, the cultural industries have become increasingly important in local urban and social policy, as a means of regenerating economies and providing competitive advantage over other cities and regions.

There has been a huge boom in the amount of money that businesses spend on advertising. This has helped to fuel the spectacular growth of the cultural industries.

The cultural tastes and habits of audiences have become more complex. The production and consumption of cultural texts and the turnover of tastes and fashions has quickened.

Texts\(^1\) (in my view, the best collective name for cultural ‘works’ of all kinds: the programmes, films, records, books, comics, images, magazines, newspapers and so on produced by the cultural industries) have undergone radical transformation. There is an increasing penetration of promotional and advertising material into previously protected realms, especially in European television, but also across a wide range of other cultural industries. There is more and more product of all kinds, across a wider range of genres, across a wider range of forms of cultural activity than before. Various forms of cultural authority are increasingly questioned and satirised.

---

1 Throughout this book, I use bold italics to denote key concepts on their first major occurrence, bold to highlight key phrases and italics for titles and ordinary emphasis. The key concepts are defined in the Glossary at the end of the book and usually on their first appearance, too.
To what extent, though, do such changes in the cultural industries really represent major, epochal shifts in the way that culture is produced and consumed? After all, alongside these changes, there are many important continuities that might be obscured by an overemphasis on change. For example, television continues to play a huge role, as a source of information and entertainment, in people’s lives; stars continue to be the main mechanism via which cultural industry companies promote their products; the USA is still thought of, across the globe, as the world centre for popular culture; copyright remains fundamental to an understanding of the cultural industries. Because continuities such as these are entangled with the above changes, I refer throughout what follows to patterns of change/continuity in the cultural industries. This issue – the interweaving of change and continuity – is the central theme of this book.

WHY DO THE CULTURAL INDUSTRIES MATTER?

THE CULTURAL INDUSTRIES MAKE AND CIRCULATE TEXTS

More than other types of production, the cultural industries are involved in the making and circulating of products – that is, texts – that have an influence on our understanding of the world. Debates about the nature and extent of this influence comprise, in the words of a valuable survey of the concept, ‘the contested core of media research’ (Corner, 2000: 376). The best contributions to such debates suggest the complex, negotiated, and often indirect, nature of media influence, but of one thing there can be no doubt: the media do have an influence. We are influenced by informational texts, such as newspapers, broadcast news programmes, documentaries and analytical books, but also by entertainment. Films, TV series, comics, music, video games and so on provide us with recurring representations of the world and thus act as a kind of reporting. Just as crucially, they draw on and help to constitute our inner, private lives and our public selves: our fantasies, emotions and identities. They contribute strongly to our sense of who we are, of what it means to be a woman or a man, an African or an Arab, a Canadian or a New Yorker, straight or gay. For these reasons alone, the products of the cultural industries are more than just a way of passing time – a mere diversion from other, more important things. All the same, the sheer amount of time that we spend experiencing texts, however distractedly we might do so, in itself makes the cultural industries a powerful factor in our lives.

So, studying the cultural industries might help us to understand how texts take the form they do and how these texts have come to play such a central role in contemporary societies. Importantly, most texts that we consume are circulated by powerful corporations. These corporations, like all businesses, have an interest in making profits. They want to support conditions in which businesses in general – especially their own – can make big profits. This raises a crucial issue:
do the cultural industries ultimately serve the interests of their owners and their executives and those of their political and business allies?

It is important that we avoid simplistic answers to this vital question. Throughout this book, I argue for a view of the cultural industries and the texts they produce as complex, ambivalent and contested. (Some important and influential analyses of the cultural industries have downplayed these aspects – see Chapter 1.) In societies where the cultural industries are big business, cultural industry companies tend to support conditions in which large companies and their political allies can make money: conditions where there is constant demand for new products, minimal regulation by the state outside of general competition law, relative political and economic stability, workforces that are willing to work hard and so on. Yet, in contemporary societies, many of the texts produced and disseminated by the cultural industries do not simply support such conditions. Very often (not just occasionally) they tend to orientate their audiences towards ways of thinking that do not coincide with the interests of capitalism or of structured domination by men over women or institutional racism. (I address this issue further in Chapter 2.)

If this is true, why does it happen? Partly, it is for the simple economic reason that cultural companies have to compete with each other, as well as maintain general conditions in which to do business, and so they attempt to outstrip each other to satisfy audience desires for the shocking, the profane and the rebellious. It is also because of social and cultural factors deeply embedded in many societies regarding what we expect of art and entertainment. This takes us to a second argument for the importance of the subject of this book and into a domain that has been neglected in academic and public debate in recent years.

THE CULTURAL INDUSTRIES MANAGE AND CIRCULATE CREATIVITY

The cultural industries are concerned, fundamentally, with the management and selling of a particular kind of work. Since the Renaissance – and especially since the Romantic movement of the nineteenth century – there has been a widespread tendency to think of ‘art’ as being one of the highest forms of human creativity. Sociologists and Marxists have argued in response that artistic work is not so different from other kinds of labour, in that both are orientated towards the production of objects or experiences (Wolff, 1993, Chapter 1, provides an excellent summary of these debates). This view is important in countering the idea that ‘artists’ are different from the rest of us, that they are involved in some mystically special form of creativity. Nevertheless, there is something distinctive about that area of human creativity often called ‘art’. The invention and/or performance of stories, songs, images, poems, jokes and so on, in no matter what technological form, involves a particular type of creativity – the manipulation of symbols for the purposes of entertainment, information and perhaps even enlightenment. Instead of the term ‘art’, with all its connotations of individual genius and a higher calling, I want to use the more cumbersome term symbolic
creativity\(^2\) and, instead of the term ‘artists’, I prefer the phrase symbol creators for those who make up, interpret or rework stories, songs, images and so on.\(^3\)

Symbol creators have been pretty much ignored in recent thinking about the cultural industries because of an understandable, but excessive, reaction against the fetishisation of their work as extraordinary. For many years, in media and cultural studies, this took the form of an emphasis on the creativity of audiences, of those who do not, in general, work professionally as symbol creators, but, in the 1990s, a number of writers in these fields began to put symbol creators back in the picture (Born, 1993a, 1993b; McRobbie, 1998; Toynbee, 2000). After all, symbol creators are the primary workers in the making of texts. Texts, by definition, would not exist without them, however much they rely on industrial systems for the reproduction, distribution and marketing of and remuneration for their work. This does not mean that we should romantically celebrate the work of all musicians, authors, film-makers and so on. Ultimately, my interest in symbol creators derives, like that of Born, McRobbie and Toynbee, from a sense that symbolic creativity can enrich people’s lives, even though it often doesn’t.

Other traditions of study have focused on especially talented or fêted symbol creators, at times hardly referring to the means by which authors, musicians and so on have reached their audiences. Some such studies amount to a pious and complacent celebration of the achievements of Western civilisation (Clark, 1969). The work of Raymond Williams (1981) and Pierre Bourdieu (1996), among others, suggests better ways of historicising symbolic creativity, by showing how such creativity has been a more or less permanent presence in human history, but its management and circulation have taken radically different forms in different societies. In Europe, for example, systems of patronage gave way in the nineteenth century to the organisation of symbolic creativity around the market. It was at this point that the cultural industries began to emerge. From the early twentieth century, this market organisation began to take a new, complex form (see Chapter 2). Examining changes in the cultural industries allows us to think about how symbolic creativity has been organised and circulated in our own lifetimes and, crucially in this book, how this might be changing.

Again, I must emphasise here the fundamentally ambivalent nature of the cultural industries. The way the cultural industries organise and circulate symbolic creativity reflects the extreme inequalities and injustices (along class, gender, ethnic and other lines) apparent in contemporary capitalist societies. There are vast inequalities in access to the cultural industries. Those who do gain access are often treated shabbily and many people who want to create texts struggle to earn a living. Failure is far more common than success. There are great pressures to produce certain kinds of texts rather than others and it is hard to come across

\(^2\) My use of this term is borrowed from Willis (1990), but I differ from him in focusing on industrialised symbolic creativity, whereas he is concerned with the creativity of young people as consumers.

\(^3\) In the sense in which I am using the term, journalists and others dealing in the more information-orientated parts of the cultural industries are also symbol creators. Studies of journalism have a long and noble history of focusing attention on key symbol creators – that is, journalists.
information about the existence of organisations and texts that attempt to do things differently. Some types of text are made much more available than others. These are bleak features of the cultural industry landscape, yet, because original and distinctive symbolic creativity is at a premium, the cultural industries can never quite control it. Owners and executives make concessions to symbol creators by granting them far more autonomy (self-determination) than they would to workers of equivalent status in other industries and to most workers historically. Paradoxically, this freedom – which is, in the end, a limited and provisional one – can then act as a form of control by maintaining the desirability of often scarce and poorly-paid jobs. However, it may also help to explain the ambivalence in texts referred to above.

Cultural industry companies face another difficulty, too. They have to find audiences for the texts that symbol creators produce. Usually, this is not a matter of finding the greatest possible mass audience for a product. Different groups of people tend to have different tastes, so much of the work of cultural industry companies attempts to match texts to audiences, to find appropriate ways of circulating texts to those audiences and to make audiences aware of the existence of texts. As we shall see, this is a risky business. Many texts fail, even those that companies expect to succeed. The upshot of these processes is that cultural industry companies keep a much tighter grip on the circulation of texts than they do on their production.

The importance of symbolic creativity helps to explain the fact that the main focus of this book is on patterns of change/continuity in the cultural industries, as opposed to, say, change/continuity in the texts produced by those industries or in how audiences understand texts. As I should have made clear by now, however, this does not mean that I am interested only in the cultural industries as systems of production. The underlying interest is really systems of production in relation to texts. But all writers, given their limited time and energy, must make decisions about where to concentrate their attention and, rather than focusing on the texts themselves and then working backwards from there to the industries, my primary interest in this book is in the cultural industries.

THE CULTURAL INDUSTRIES ARE AGENTS OF ECONOMIC, SOCIAL AND CULTURAL CHANGE

A third and final reason for the importance of examining change and continuity in the cultural industries is that they are increasingly significant sources of wealth and employment in many economies. Measuring this importance is difficult and there are controversies, occasionally useful but sometimes tedious, about how best to do so (see Chapter 6). Much depends on how we define the cultural industries, an issue discussed later in this Introduction. It seems fair to say, though, that the economic role of cultural production is growing, but not nearly as much or as quickly as some commentators and policymakers claim.

That the cultural industries might be providing more wealth and employment is, of course, significant in itself, but it also has implications for how we understand the relationships between culture, society and economy. Many of the most important debates about these relationships over the last 30 years have
concerned what we might call theories of transition. Have we moved from industrial societies to post-industrial or information societies, based on a much greater emphasis than before on knowledge? This was a line of thought initiated in the 1960s and 1970s by the work of, among others, Daniel Bell (for example, 1974) and maintained by writers such as Manuel Castells (such as, 1989, 1996) in the 1980s and 1990s. Have we moved from societies best characterised as ‘modern’, because of their increasing ephemerality, fragmentedness and flux, to a situation better characterised as ‘postmodern’, where these features become so accentuated that rationality and meaning seem to break down (Harvey, 1989; Lyotard, 1984)? In one version of such debates, some analysts (notably Castells, 1996; and Lash and Urry, 1994) suggested that symbolic creativity and/or information were becoming increasingly central in social and economic life. An important implication of this, drawn out more fully by Lash and Urry than by Castells, was that the cultural industries therefore increasingly provided a model for understanding transformations in other industries. Others claimed that the cultural industries themselves are becoming more like other industries and losing their distinctiveness as an economic sector (Padioleau, 1987).

In the late 1990s, the rise of the Internet and the World Wide Web fuelled these debates. Academic study was echoed by business and management analysts, who placed increasing emphasis on firms’ non-tangible assets, especially the value of these businesses’ brand names (see Wolf, 1999 for a popularising version). Brands can only be made valuable as a result of massive amounts of work being put into product names and logos and how they are represented and circulated. Cultural industry companies such as Disney, because they were considered so experienced in developing brands (in a sense, every film, every star, every book is something like a brand), were often named alongside companies such as Nike and more traditional firms such as Coca-Cola as leaders in this field.

Brands, however, were only one part of a surge of hype about the increasing role of information, culture and knowledge in modern economies. There was a seemingly unstoppable flow of books about ‘the weightless world’ (Coyle, 1999), about how, in the future knowledge economy, we would be ‘living on thin air’ (Leadbeater, 2000) rather than on material goods and so on. Closely related to this, enormous attention was paid, in the USA in particular, to ‘the new economy’ (see Henwood, 2003, for a critique of this idea) in which the traditional business cycles of boom and slump would be replaced by continuous growth; communication technologies, branding, information and culture were all seen as central to this new configuration. In the early 2000s, such notions were increasingly joined by a new concept, which is also of direct relevance to this book: the so-called ‘creative economy’ (Howkins, 2001).4

It would be very wrong to think that, with the bursting of the so-called dot.com bubble in 2000–2001, such ideas disappeared. The language of the popularising books may not be quite as millennial now as it was at the turn of the century, but

---

4 I discuss the notion that ‘creativity’ is increasingly important in modern economies and societies further in Chapter 5. Mosco (2004) has provided a particularly valuable analysis of various ways in which computers and cyberspace have contributed to such ‘mythical’ thinking about economic and social futures.
new formulations of the idea that we are now living in societies and economies founded on information, knowledge and culture have continued to appear in influential and widely read magazines such as *Wired* and *Newsweek*. The latter, for example, devoted the 2006 version of its annual special issue preview of the forthcoming year to ‘The Knowledge Revolution’, including much discussion of the new magical word ‘creativity’ (see also Florida, 2002, 2005). Academic commentators, meanwhile, argued that creativity ‘will be the driver of social and economic change during the next century’ (Hartley, 2005: 1). If the cultural industries are playing a central part in these supposed transitions – to the information or knowledge society, to economies based on brands, on signs and meanings, on creativity – it is surprising how rarely systematic, historically informed analysis of changes in these industries has been carried out by those involved in such debates. An analysis of this kind may help to cast light on these various notions and on whether they exaggerate change at the expense of continuity.

**OUTLINE OF THE ARGUMENT**

Two questions seem to me to be of particular importance in relation to patterns of change/continuity in the cultural industries, both involving a set of important subsidiary questions. First, how might we explain them? What were the forces driving change and ensuring continuity? Which groups of people have made the key decisions in bringing about new patterns of change and continuity? What interests did they represent?

Second, how might we assess change and continuity? This involves two further moves: considering the extent of change and evaluating it. Which phenomena represent fundamental transformations in cultural production and consumption and which are merely superficial changes? What political and ethical principles can we draw on to think about what is right and wrong in the way that the cultural industries are structured, governed and organised in the late twentieth century and at the beginning of the twenty-first?

The rest of the Introduction lays out the working definition of the cultural industries I am using in this book. It explains the etymology of the term and my reason for preferring it over other alternatives and it outlines the distinctive features of the cultural industries. These features are important for the argument in the rest of the book because they help to explain changes and continuities in the way that the cultural industries are structured, organised and regulated.

Following the Introduction, Part One consists of three chapters that establish the analytical frameworks for the rest of the book and begin the story of change and continuity in the cultural industries since 1980. Chapter 1 prepares the ground for assessment and explanation by considering the main approaches to the cultural industries. It argues for an approach based on a particular type of political economy account, associated with the mainly European cultural industries tradition (rather than with a distinctive tradition in the USA often equated with political economy). I recognise the important contributions of sociology of culture and liberal-pluralist communication studies to studies of the cultural industries, while highlighting some of their limitations. I argue that the best contributions from cultural studies are potentially compatible with the best political
economy approaches. While this chapter can be skipped by readers who feel uninterested in such academic context, it forefronts a number of important assumptions that underlie the analysis and argument in the rest of the book.

Chapter 2 is a key one because it deals with how we might assess patterns of change/continuity in the cultural industries. In order to do so, it provides an outline of the key aspects of what, adapting Raymond Williams, I call the complex professional era of cultural production. The complex professional form of production took shape in advanced industrial societies in the early twentieth century and, by the middle of the twentieth century, had become the dominant form. The key aspects are discussed in terms of the following categories:

- the overall place of cultural production in economies and societies (including the long-term commodification of culture)
- the ownership and structure of cultural industry businesses
- the organisation of production (including questions concerning the autonomy or independence of creative workers from commercial and state control)
- the nature of cultural work and the rewards for it
- the internationalisation of cultural production and its domination by US businesses
- and, finally, textual changes.

The discussion of each of these aspects generates two types of question. The first type concerns the extent of changes since 1980. A key objective of the book is to assess whether changes since 1980 have seen the emergence of a completely new era of cultural production or whether these changes represent shifts within the complex professional era and therefore a relatively limited (though still potentially significant) set of transformations. The second type concerns the evaluation of changes and continuities. A set of normative principles is laid out, building on the outline of approaches in Chapter 1 and on my summary, earlier in the Introduction, of why I think the cultural industries are important.

Chapter 3 discusses how we might explain change, assessing the rival claims of approaches that emphasise economic, political, technological and sociocultural factors. It begins the story of recent change/continuity in the cultural industries by looking at how a number of such factors interacted to produce economic, political and cultural crisis in Western societies in the late 1960s and 1970s. I argue that these intertwined crises initiated many of the key changes discussed in the book. The Long Downturn in advanced industrial economies from the late 1960s onwards is a vital context for understanding even very recent developments. The crises helped bring about an important political and regulatory response, which, in general, was the rise of neoliberalism, but, specifically for the information and cultural sectors, was also the rise of Information Society discourse. However, the chapter argues that we also need to understand three other forms of change that drove changes in cultural production and consumption. These are changes in business strategy, sociocultural and textual changes and technological change. By stressing these multiple factors, I avoid reductionism.

Chapters 4 and 5 constitute Part Two of the book. In them, I outline policy changes that were fundamental in bringing about many of the changes examined
later. My account in Chapter 4 analyses how governments changed their telecommunications and broadcasting policies in the 1980s and 1990s to encourage the development of the commercial cultural industries by privatising public corporations and ‘loosening’ the regulation of media and culture. The story of this privatisation and ‘deregulation’ will be familiar to some readers. My account is different from existing ones, though, because of its international emphasis and its periodisation of change. I outline four overlapping waves of change in the communications policies of national governments:

- the first in the USA in the 1980s
- the second in other advanced industrial countries from the mid-1980s to the mid-1990s
- the third in transitional and mixed societies after 1989
- the fourth, which continues today, across all these regions/polities, involving the mooted convergence of the cultural industries with telecommunications and computers sectors.

Chapter 5 then examines changes in two other key domains of policy: cultural policy and copyright law. Again, these policy changes have been a very important basis for other changes. They represent shifts in how creativity and cultural production are conceived in relation to commerce and capital.

Part Three then builds on the foundations established in Parts One and Two to examine changes and continuities in the various aspects of the complex professional era of cultural production outlined in Chapter 2. Each chapter not only examines the extent of change but also addresses how we might evaluate events.

In Chapter 6, I examine changes and continuities in both business ownership and structure and in the place of the cultural industries in modern economies. In the Long Downturn, cultural industry businesses looked to various forms of company structure and organisational strategy in order to compete effectively with each other and with firms in other sectors. Cultural industries were already prone to domination by a few, powerful companies, but this intensified after 1980. There were important changes in the conglomerates that dominated the production and distribution of cultural goods and services. Independents continued to proliferate – and go bust. New relationships between conglomerates and such independents came into being. It is at this point that I address the question of the extent to which the cultural industries are an important part of national economies and global business. I argue that the steadily growing importance of these industries needs to be understood as a phase in the long-term commodification of culture and I outline the ambivalent consequences of this.

Chapter 7 deals with changes and continuities in the organisation of cultural production and in cultural work. Perennial questions about how to control risk and manage creativity were being answered in new and important ways from the 1980s onwards. Notably, there was an increasing focus on marketing and market research. There were also significant changes in the terms and conditions of cultural work. Did such changes represent a fundamental shift in the social relations of cultural production?
One of the most important ways in which firms tried to compete in the new business environment created by the Long Downturn and by various sociocultural changes of the period was by internationalising their operations. The consequences of this for the cultural industries are assessed in Chapter 8. **Internationalisation** in the cultural industries has helped lead to a much greater complexity of international flows of culture than before, but it has also meant the increasing global presence of vast corporations. So, the chapter considers whether or not we should think of the new state of play in the cultural industries internationally as a new stage of cultural imperialism or as a sign of a new global interconnectedness with democratising possibilities (the chapter also asks if this dualism between imperialism and interconnectedness is an adequate way of addressing the most important issues).

Cultural industry businesses also attempted to compete by introducing, and using, **new communication technologies**. Chapter 9 focuses on what is generally agreed to be the key technological development of the last 20 years – **digitalisation**. Has digitalisation brought about a fundamental shift in the cultural industries? Particularly significant facets of digitalisation are the rise of the Internet and multichannel television. Digitalisation is often said to be about to change the way that cultural production is organised and experienced. In particular, talk of convergence between the cultural industries, telecommunications and computers is now commonplace, to the point of being humdrum. How can we assess the effects of the Internet and digital television so far? To what extent have these innovations altered the power relations that have generally prevailed in the cultural industries? I also consider the new medium of digital games in this chapter.

Chapter 10 deals with the effects of all these patterns of change/continuity at the point where the cultural industries arguably have their most profound impacts on social and cultural life: **texts**. In what significant ways have cultural texts and their consumption by audiences changed (or not) during the 1980s and 1990s? In what ways has this then had reciprocal effects on the institutions, organisation and economics of the cultural industries? I deal with three particularly important but tricky issues in assessing texts: diversity, quality and the extent to which texts serve the interests of cultural industry businesses and their political allies.

Finally, a concluding chapter summarises the arguments of the book and outlines its importance for understanding changing relationships of power and social justice in relation to cultural production.

**MATTERS OF DEFINITION**

The term, ‘the cultural industries’, is surrounded by difficulties of definition. If we define culture, in the broadest anthropological sense as a “‘whole way of life’ of a distinct people or other social group” (Williams, 1981: 11), it is possible to argue that all industries are cultural industries in that they are involved in the production and consumption of culture. For by this definition, the clothes we wear, the furniture in our houses and workplaces, the cars, buses and trains we use for transport, the food and drink we guzzle are all part of our culture and they are nearly all produced industrially, for profit.
However, it seems to me that such a broad use risks losing any sense of what might differentiate the cultural industries from other industries. The term ‘cultural industries’ has tended to be used in a much more restricted way than this, based implicitly on a definition of culture as ‘the signifying system through which necessarily (though among other means) a social order is communicated, reproduced, experienced and explored’ (Williams, 1981: 13, original emphasis). To put this a little more simply, the cultural industries have usually been thought of as those institutions (mainly profit-making companies, but also state organisations and non-profit organisations) that are most directly involved in the production of social meaning. So, nearly all definitions of the cultural industries would include television (cable and satellite, too), radio, the cinema, newspaper, magazine and book publishing, the music recording and publishing industries, advertising and the performing arts. These are all activities the primary aim of which is to communicate to an audience, to create texts.

All cultural artefacts are texts in the very broad sense that they are open to interpretation. Cars, for example, signify and most cars involve significant design and marketing inputs. However, the primary aim of nearly all cars is not meaning, but transport. What defines a text, then, is a matter of degree, a question of balance between its functional and communicative aspects (see Hirsch, 1990/1972 for a similar argument). Texts (songs, narratives, performances) are heavy on signification and tend to be light on functionality and they are created with this communicative goal primarily in mind. Box 0.1 presents the core cultural industries that are the main focus of this book. They are the core cultural industries because they deal primarily with the industrial production and circulation of texts.

### BOX 0.1 THE CORE CULTURAL INDUSTRIES

The following industries are centrally concerned with the industrial production and circulation of texts and they therefore constitute what I want to call the core cultural industries for the purposes of this book:

- **broadcasting**: the radio and television industries, including their newer cable, satellite and digital forms
- **film industries**: this includes the dissemination of films on video, DVD and other formats and on television
- **the content aspects of the Internet industry**: other aspects are really part of the computer or telecommunications industries
- **music industries**: recording (which, of course, includes the recording of sounds other than music, but is for the most part centred on music) publishing\(^5\) and live performance
- **print and electronic publishing**: including books, CD-ROMs, online databases, information services, magazines and newspapers

(Continued)

---

5 While this term seems to be about the printing of sheet music, music publishing is much more than this as it involves the ownership and control of the rights to musical compositions.
video and computer games or digital games as many commentators now prefer to call them.

advertising and marketing: compared with other cultural industries, advertisements and marketing artefacts tend to have a greater functional element as they are intended to sell and promote other products. Nevertheless, they are centred on the creation of texts and require the work of symbol creators (see Chapter 2 for further discussion of how marketers fit into the cultural industries).

All these core cultural industries have their own dynamics and I discuss these at various points in the book, but one of the most important contributions of work on 'the cultural industries' has been to see that these industries interact and interconnect with each other in complex ways. Largely, this is because they compete with each other for the same resources. The most important of these are as follows (see Garnham, 1990: 158):

- a limited pool of disposable consumer income
- a limited pool of advertising revenue
- a limited amount of consumption time
- skilled creative and technical labour.

It is because of this competition for the same resources, as well as their shared characteristics as producers of primarily symbolic artefacts, that the cultural industries can thought of as a sector or a linked production system (there are arguments in economic and business analysis about which term might be better, but these need not concern us here). This point is not always clearly understood, even by academic analysts.

There is another set of cultural industries that I will call ‘peripheral’. These are important industries, and the term ‘peripheral’ is in no way intended to marginalise the creativity of those involved in such work. Like the core cultural industries, these more peripheral cultural industries are centrally concerned with the production of texts. But the reproduction of these symbols uses semi-industrial or non-industrial methods. Theatre, for example, has only recently begun to take on what might be called industrial forms of production and reproduction (see Chapter 7). The making, exhibition and sale of works of art (paintings, installations, sculptures) generate enormous amounts of money and commentary each year, but reproduction is limited, where it exists at all. The art prints industry limits reproduction artificially and uses laborious methods in order to add value to the prints. I refer, in passing, to some of these industries, but, in order to make this book readable – and writable – I have focused on the core cultural industries listed in Box 0.1. It is important to note, though, that the core and peripheral industries interact with each other in important ways. Actors and writers might work in television and theatre, for example, art schools produce artists who might move in and out of various forms of commercial production, including film direction, advertising and music.
As with all definitions of complex phenomena, there are several significant borderline cases.

- **Sport**  Industries such as football (soccer) and baseball arrange for the performance of live spectacles that are, in many respects, very like the live entertainment sector of the cultural industries. People pay to be entertained in real time in the co-presence of talented (or not-that-talented, depending on which team you support) performers. But there are notable differences, even from live entertainment in the cultural industries. Sport is fundamentally competitive, whereas symbol making isn’t. Texts (in the sense in which I use the term in this book) tend to be more scripted or scored than in sports, which are essentially improvised around a set of competitive rules.6

- **Consumer electronics/cultural industry hardware**  Making television programmes is based on an intentional act of cultural communication and would be included as a cultural industry in all definitions. But does the making of television sets constitute a cultural industry? The consumer electronics industries develop and make the machines through which we can experience texts. These industries are extremely important for understanding change and continuity in the cultural industries because they provide the hardware on and through which texts are reproduced or transmitted (hi-fi, television sets, MP3 and DVD players). These goods and others (fridges, microwave ovens) rely on the crucial input of designers and of often poorly paid assembly-line workers, but they are not centred on the production of primarily symbolic goods in the way that the cultural industries are and so they fall outside what I consider to be a useful definition.

- **Software**  The software industry has some very important parallels with the cultural industries. Creative teams work together to try and create distinctive outcomes, but the actual presentation of the software does not take the form of a text. Its functional aspects – to carry out certain computerised tasks – outweigh the very important aesthetic dimensions of its design.

- **Fashion**  Fashion is a fascinating ‘hybrid’ of a cultural industry, in the sense that I use the term here, and a consumer goods industry. The high degree of balance between functionality and signification makes this a complex special case, made all the more interesting by distinctive forms of organisation (see McRobbie, 1998 for an important study).

I could go on for pages more, dealing with borderline cases, which share features with the cultural industries, but which are, I think, sufficiently different to merit separate treatment. I hope by now that my point will be clear; that I am focusing here on industries based on the industrial production and circulation of texts and centrally reliant on the work of symbol creators.

For some analysts, this focus on symbolic creativity represents a problem. Keith Negus (2006: 201–2) has objected to my focus on symbolic creativity as the basis of a definition of the cultural industries on the grounds that creativity and the circulation of potentially influential meanings are just as much a feature of

---
6 Thanks to Jason Toynbee for clarifying these differences for me.
industries such as ‘food, banking, tobacco, insurance’ as, say, music and television. Negus is right to say that the cultural industries are not the only place where symbolic creativity takes place and we agree that symbol makers should not be fetishised as more special than the rest of us. And it is certainly true that cigarettes and bank accounts, like television programmes and songs, have cultural meaning. Yet, if we blur the distinction, it seems to me that we miss something vital. In order to understand cultural production adequately, we need to get at the **specificity** of the cultural industries. This means appreciating the difference between activities ***centrally*** involved with the production of artefacts that are ***primarily*** composed of symbols and other types of social activity. Bankers, after all, are not like musicians.

**ALTERNATIVE TERMS**

Clearly, the term ‘cultural industries’ is a contested, difficult one and, as I have implied, its problems derive from the difficulty of defining ‘culture’ (not to mention ‘industry’). Given all these problems of definition, why not abandon the term ‘cultural industries’ altogether in favour of an alternative? A number of possibilities spring to mind. A book on ‘the information industries’ might treat the cultural industries as just one example of the increasing prominence of information in contemporary economies, societies and cultures. An informative book on *The Leisure Industries* (Roberts, 2004) deals with sport and tourism alongside what I call the cultural industries. Business analysts often use the term ‘entertainment industries’ – especially in the USA. The cultural industries are often referred to interchangeably with the ‘media industries’, but the concept of media is not without its problems of definition either. Without doubt, though, the most often preferred alternative to ‘cultural industries’ is **creative industries**. Many policymakers and some academic analysts now use this term. Chapter 5 provides an account of some of the problems associated with it. This includes discussion of ways in which policy labelled ‘creative industries’ has generally differed from policy labelled ‘cultural industries’.

Leisure, information, entertainment, media and creativity are all addressed in this book, but I prefer to use the term ‘cultural industries’ than the alternatives. This is because it not only refers to a type of industrial activity but also invokes a certain tradition of thinking about this activity and about relationships between culture and economics, texts and industry, meaning and function.

**FROM ‘THE CULTURE INDUSTRY’ TO THE CULTURAL INDUSTRIES**

The term has its origins in a chapter by two German-Jewish philosophers associated with the Frankfurt School of Critical Theory, Theodor Adorno and Max Horkheimer (1977/1944). Although the term may have been used before, ‘The

---

7 The term ‘information industry’ was in vogue during the late 1980s and 1990s (see Sadler, 1997, for an interesting analysis of the recording industry as an information industry), but even some of those who used it (such as Wasko, 1994) recognised that it marginalised entertainment and the artistic, expressive and cultural aspects of symbol making. See Schiller (1994) for a discussion of the relationships between information and culture.
Culture Industry’ was part of the title of a chapter in their book *Dialektik der Aufklärung (Dialectic of Enlightenment)*, which they wrote in the USA in the 1940s while in exile from Nazi Germany. The book was born out of a conviction that life in the capitalist democracy of the USA was, in its own way, as empty and superficial, if not quite as brutal and horrific, as life in the Germany they had fled. ‘Culture Industry’ was a concept intended to shock. Adorno and Horkheimer, like many other users of the term ‘culture’ in the nineteenth and twentieth centuries, equated culture in its ideal state with art, with special, exceptional forms of human creativity. For them, and for the tradition of Hegelian philosophy of which they were a part, art could act as a form of critique of the rest of life and provide a utopian vision of how a better life might be possible. In Adorno and Horkheimer’s view, however, culture had almost entirely lost this capacity to act as utopian critique because it had become commodified – a thing to be bought and sold. Culture and Industry were supposed, in their view, to be opposites but, in modern capitalist democracy, the two had collapsed together. Hence, Culture Industry.8

By the late 1960s, it was clear that culture, society and business were becoming more intertwined than ever as transnational corporations invested in film, television and record companies and these forms took on ever greater social and political significance. Adorno, Horkheimer and other present and former members of the Frankfurt School became internationally prominent as left-wing students and intellectuals turned to their ideas to make sense of these changes. The term Culture Industry became widely used in polemics against the perceived limitations of modern cultural life. The term was picked up by French sociologists (most notably Morin, 1962; Huet et al., 1978; Miège, 1979), and by activists and policy makers9 and was converted to the term ‘cultural industries’. Why prefer the plural to the singular form? The distinction is revealing and more significant than may at first appear to be the case. The French ‘cultural industries’ sociologists rejected Adorno and Horkheimer’s use of the singular term ‘The Culture Industry’ because it suggested a ‘unified field’ where all the different forms of cultural production that coexist in modern life are assumed to obey the same logic. They were concerned, instead, to show how complex the cultural industries are and to identify the different logics at work in different types of cultural production, how, for example, the broadcasting industries operated in a very different way from the press or from industries reliant on ‘editorial’ or publishing models of production, such as book publishing or the recording industry (see Miège, 1987). As a result, they preferred the plural term ‘industries culturelles’.10

---

8 Steinert (2003: 9) clarifies that Adorno and Horkheimer used the term in two different senses: ‘culture industry’ to refer to ‘commodity production as the principle of a specific form of cultural production’ and the culture industry to refer to a specific branch of production.

9 Internationally, the term was disseminated in policy circles through the United Nations Educational, Scientific and Cultural Organization (UNESCO), based in Paris. UNESCO sponsored a large-scale comparative international programme on the cultural industries in 1979 and 1980, which culminated in a conference in Montreal in June 1980, the proceedings of which were published in English by UNESCO (1982).

10 Many writers (such as Lash and Urry, 1994, and Garnham, 2000 – though not Garnham, 1990) use the term ‘culture industries’. The difference is trivial, but I prefer ‘cultural industries’ because it symbolises the move beyond the Frankfurt School approach.
The cultural industries sociologists rejected the approach of Adorno and Horkheimer on other important grounds, too, as the most important writer in this tradition, Bernard Miège (1989: 9–12), made clear in a foreword to a translated collection of his work. First, they rejected Adorno and Horkheimer’s nostalgic attachment to pre-industrial forms of cultural production. Following other critics of the Frankfurt School, including Adorno’s friend and contemporary Walter Benjamin, Miège argued that the introduction of industrialisation and new technologies into cultural production did indeed lead to increasing commodification, but that it also led to exciting new directions and innovations. The commodification of culture, then, was a much more ambivalent process than was allowed for by Adorno and Horkheimer’s cultural pessimism. (As we shall see in the next chapter, this is an insight shared by some cultural studies approaches.) Second, rather than assuming that the process of commodification of culture has been a smooth, unresisted one, the cultural industries sociologists were concerned with the limited and incomplete nature of attempts to extend capitalism into the realm of culture. They saw the cultural industries, in other words, as contested – a zone of continuing struggle – whereas there is a constant sense in Adorno and Horkheimer that the battle has already been lost, that culture has been already subsumed by capital, and by an abstract system of ‘instrumental reason’.

These modifications of Adorno and Horkheimer’s Culture Industry thesis are real advances. The point here is not simply to show that two German intellectuals writing in the mid-century got it wrong. Adorno and Horkheimer are important, amongst other reasons, because they provided a much more interesting and sophisticated version of a mode of thinking about culture that is still common today. Newspaper commentators can often be read or heard dismissing industrialised culture as debased. Writers, teachers and students often lapse into a pessimism similar to that of the Culture Industry chapter, even while they enjoy and feel enriched by many of the products of the cultural industries. Adorno and Horkheimer provide the fullest and most intelligent version of the extreme, pessimistic view of the industrialisation of culture. For Miège and others, however, even this intelligent version of cultural pessimism is lacking. Abandoning extreme pessimism is not the same thing as complacently celebrating the cultural industries as they are. The key words, to repeat, are complex, ambivalent and contested. These terms drive my efforts to explain and assess the cultural industries in what follows. Using the term ‘cultural industries’ signals an awareness of the problems of the industrialisation of culture, but a refusal to simplify assessment and explanation.

INDUSTRIES THAT MAKE TEXTS: THE DISTINCTIVE FEATURES

In the light of work by Miège and others – including, most notably, Garnham (1990) – it is possible to outline the distinctive features of the cultural industries, as compared with other forms of capitalist production. These are summarised in

11 This poorly edited translation forms the most important source in English of Francophone sociological work on the cultural industries, but see also Lacroix and Tremblay, 1997.
Box 0.2.12 The first four features are the distinctive problems faced by the cultural industries and the next five features are the most common responses, or attempted solutions, undertaken by cultural industry businesses. These distinctive features have important implications for the rest of the book. They help to explain recurring strategies of cultural industry companies in terms of how they manage and organise cultural production. They indicate potential causes of change. They help us to understand the constraints facing those who want to work as symbol creators or set up their own independent and/or alternative cultural organisations. They also provide a way of understanding the differences between cultural industries, in that certain features are more apparent in some industries than in others or the same features take somewhat different forms.

**BOX 0.2 SUMMARY OF DISTINCTIVE FEATURES OF THE CULTURAL INDUSTRIES**

**Problems:**
- Risky business
- Creativity versus commerce
- High production costs and low reproduction costs
- Semi-public goods; the need to create scarcity

**Responses:**
- Misses are offset against hits by building a repertoire
- Concentration, integration and co-opting publicity
- Artificial scarcity
- Formatting: stars, genres and serials
- Loose control of symbol creators; tight control of distribution and marketing

**RISKY BUSINESS**

All business is risky, but the cultural industries constitute a particularly risky business (the title of a book on the film industry by Prindle, 1993 – presumably named in homage to the enjoyable 1983 film starring Tom Cruise) because they are centred on the production of texts to be bought and sold. For Garnham,
influenced by Bourdieu (1984), this risk derives from the fact that audiences use cultural commodities in highly volatile and unpredictable ways, often in order to express that they are different from other people (Garnham, 1990: 161). As a result, fashionable performers or styles, even if heavily marketed, can suddenly come to be perceived as outmoded and, equally, other texts can become unexpectedly successful. These risks, which stem from consumption, from the ways in which audiences tend to use texts, are made worse by two further factors related to production. First, as we saw earlier, companies grant symbol creators a limited autonomy in the hope that the creators will come up with something original and distinctive enough to be a hit. But this means that cultural companies are engaged in a constant process of struggle to control what symbol creators are likely to come up with. Second, any particular cultural industry company (Company A) is reliant on other cultural industry companies (B, C, D and so on) to make audiences aware of the existence of a new product or of the uses and pleasures that they might get from experiencing the product. Even if Company A actually owns Company B or F, they can’t quite control the kind of publicity the text is likely to get because it is difficult to predict how critics, journalists, radio and television producers, presenters, and so on are likely to evaluate texts.

All these factors mean that cultural industry companies face special problems of risk and unpredictability. Here are some statistics:

- nearly 30,000 albums were released in the USA in 1998, of which fewer than 2 per cent sold more than 50,000 copies (Wolf, 1999: 89)
- 88 hits in 1999 – 0.03 per cent of releases – accounted for a quarter of US record sales (Alderman, 2001)
- Neuman (1991: 139) quotes a rule of thumb in publishing that 80 per cent of the income derives from 20 per cent of the published product
- Bettig (1996: 102) claims that, of the 350 or so films released each year in the USA at the time of his study, only 10 or so will be box office hits
- Driver and Gillespie (1993: 191) report that only one-third to one-half of UK magazines break even and only 25 per cent make a profit
- according to figures cited by Moran (1997: 444), about 80 per cent of the 50,000 book titles published in the USA each year in the mid-1980s were financial failures.

It is important to realise, nevertheless, that, across the cultural industries as a whole, this risk is successfully negotiated by the larger companies:

- television profits have traditionally run at a rate of 20 per cent of sales, according to Neuman (1991: 136)
- Compaine (1982: 34, cited by Neuman, 1991: 136) claims that profits from motion pictures tend to run at 33 to 100 per cent higher than the US average.

---

13 Even if we do not think of the problem in this way, it is clear that consumption of texts is likely to be highly subjective and arational.
Profits, though, are highly variable, depending on the degree of competition within and across industries:

- Dale (1997: 20) samples figures from 1992 showing the following profit margins (operating income divided by sales) in different industries:
  - cable, 20 per cent
  - broadcast television, nearly 17.5 per cent
  - the press and books, around 12 per cent
  - music, network television and magazines, just under 10 per cent
  - film and advertising agencies, in the high single digits

- Film industry profits fell from an average of 15 per cent in the 1970s to about 10 per cent in the early 1980s, then to around 5–6 per cent in the late 1980s, before making a recovery in the early 1990s (Dale, 1997: 20)
- In the early 2000s, the majors that dominate the cultural industries showed either very high temporary losses, reflecting the huge costs of mergers or investment, or poor profit rates: less than 5 per cent at Disney and less than 3 per cent at Viacom in 2002 (Grant and Wood, 2004: 100).

The cultural industries, then, can be highly profitable in spite of the particularly high levels of risk many businesses face, but it may be increasingly difficult to achieve high levels of profit for individual companies.

CREATIVITY VERSUS COMMERCE

The account on page 6 may have made it sound as though symbol creators work under relatively autonomous conditions in the cultural industries because this relative autonomy is generously granted to them by companies. The reality, however, is more complicated. Such autonomy is also a product of historical understandings of the nature of symbolic creativity and, in particular, the view that art (or, to use my preferred term, creativity – understood here, as elsewhere in this book, as symbolic creativity – see above) is not compatible with the pursuit of commerce. Romantic conceptions of art in ‘Western’ societies established the idea that art is at its most special when it represents the original self-expression of a particular author. At one level, this is a mystification, so to set creativity too strongly against commerce – as a great deal of romantic and modernist thought about art did – is silly. Creators need to be paid and some of the loveliest, funniest, most thought-provoking works have been produced as part of a commercial system. However dubious the romantic conception of opposing creativity or art to commerce may be, it has had the long-term effect of generating very important tensions between creativity and commerce, which are vital to understanding the cultural industries. The creativity/commerce pairing helps to generate the relative and provisional autonomy that many symbol makers attain. It is also adds to the uncertainty and difficulty of the environment in which cultural businesses work. Parallels exist in other fields. There are tensions in science, for example, between the goal of making knowledge publicly available and gaining financial advantage from that knowledge. But it is impossible to understand the distinctive nature of
cultural production without an understanding of the commerce/creativity dialectic. I explore these issues further in Chapters 2 and 7.

HIGH PRODUCTION COSTS AND LOW REPRODUCTION COSTS

Most cultural commodities have high fixed costs and low variable costs: a record can cost a lot to make because of all the time and effort that has to go into composition, recording, mixing and editing to get the right sound for its makers and their intended audience, but, once ‘the first copy’ is made, all subsequent copies are relatively cheap to reproduce. The important point here is the ratio between production and reproduction costs. Nails, for example, have a low design input, making the first copy cheapish to produce and each further copy costing not much less. This produces a very different kind of market from that which prevails in the cultural industries. Cars are more like the texts that the cultural industries produce, but are still substantially different. The prototype of a car is extremely expensive, with enormous amounts of design and engineering input, and the costs of each new car built from the prototype are very expensive, too, because of the materials and safety checks required. So, even though fixed costs are high, the ratio of variable costs to fixed costs is relatively low. The much higher ratio of fixed costs to variable costs in the cultural industries means that big hits are extremely profitable. This is because, beyond the break-even point, the profit made from the sale of every extra unit can be considerable, compensating for the inevitably high number of misses that come about as a result of the volatile and unpredictable nature of demand. This leads to a very strong orientation towards ‘audience maximisation’ in the cultural industries (Garnham, 1990: 160).

How, then, do cultural industry businesses attempt to respond to the particular set of issues facing them as they attempt to make profit and generate capital from the production of culture?

SEMI-PUBLIC GOODS

Cultural commodities are rarely destroyed in use. They tend to act like what economists call ‘public goods’ – goods where the act of consumption by one individual does not reduce the possibility of consumption by others. If I listen to a CD, for example, that doesn’t in any way alter your experience of it if I pass it on to you. The same could certainly not be said of my eating a pie. Using a car diminishes its value for another user much more than watching a DVD does the DVD. What is more, the means of industrial reproduction of cultural goods are relatively low in cost. This means that firms have to achieve the scarcity that gives value to goods by limiting access to cultural goods and services by artificial means (see below).

---

14 Those cultural industries that do not sell goods directly to customers, most notably broadcasting and, increasingly, internet content work in different but related ways. In them, the extra unit is that of audiences, which are then ‘sold’ on to advertisers.
MISSES ARE OFFSET AGAINST HITS BY BUILDING A REPERTOIRE

This extra emphasis on audience maximisation means that, in the cultural industries, companies tend to offset misses against hits by means of ‘overproduction’ (Hirsch, 1990/1972), attempting to put together a large catalogue or ‘cultural repertoire’ (Garnham, 1990: 161) or, to put it another way, ‘throwing mud’ – or other similar substances – ‘against the wall’ to see what sticks (Laing, 1985: 9; Negus, 1999: 34). If, as Garnham suggests, one record in every nine is a hit and the other eight are misses, then a company issuing five records is less likely to have the hits that will keep the company afloat than the company with a repertoire or catalogue of 50 record releases. This is one of the pressures towards achieving greater size for cultural companies, though there are countervailing tendencies that favour smaller companies.

CONCENTRATION, INTEGRATION AND CO-OPTING PUBLICITY

Cultural industry companies deal with risk and the need to ensure audience maximisation by using strategies that are also apparent in other sectors.

- **Horizontal integration.** They buy up other companies in the same sector to reduce the competition for audiences and audience time.
- **Vertical integration.** They buy up other companies involved in different stages of the process of production and circulation. A company might buy ‘downstream’, such as when a company involved in making films buys a DVD distributor, or ‘upstream’, which is when a company involved in distribution or transmission (such as a cable television company) buys a programme-maker.
- **Internationalisation.** By buying and partnering other companies abroad, corporations can sell massive amounts of extra copies of a product they have already paid to produce (though they will have to pay new marketing costs, of course).
- **Multisector and multimedia integration.** They buy into other related areas of cultural industry production to ensure cross-promotion.
- Also important is the attempt to ‘co-opt’ (Hirsch, 1990/1972) critics, DJs and various other people responsible for publicising texts, by socialising with them, sending them gifts, press releases and so on.

Such forms of integration have led to the formation of bigger and more powerful companies. Nearly all major industries – from aluminium to biochemicals to clothing – are dominated by large companies. There is only limited evidence that the cultural industries have higher degrees of industry concentration than other industries. Arguably, though, the consequences of not succeeding in growth and integration are greater in the cultural industries than in many other industries because there is a very high rate of failure of smaller companies. This, in turn, is explained by the fact that small cultural companies are unable to spread risk across a repertoire. Crucially, the consequences of this size and power are unique.
to the cultural industries because of the ability of the goods they produce – texts – to
have an influence on our thinking about their operations, about all other industries and, indeed, potentially, about all aspects of life.

ARTIFICIAL SCARCITY

Garnham (1990: 38–9, 161) identified a number of ways in which scarcity is achieved for cultural goods (which, as we saw on page 21, because they often show public good features, tend not to be scarce). Primary among them is vertical integration. The ownership of distribution and retail channels allows companies to control release schedules and ensure the adequate availability of goods. Just as important, however, are:

• advertising, which limits the relative importance for profits of the sale of cultural goods
• copyright, which aims to prevent people from freely copying texts
• limiting access to the means of reproduction, so that copying is not easy.

FORMATTING: STARS, GENRES, SERIALS

Another way for cultural industry companies to cope with the high levels of risk in the sector is to minimise the danger of misses by formatting their cultural products (Ryan, 1992). One major means of formatting is the star system – associating the names of star writers, performers and so on with texts. This involves considerable marketing efforts, in order to break a writer or performer as a new star or ensure the continuation of the star’s aura. This type of formatting is reserved for privileged texts that cultural industry companies hope will become big hits. The importance of the star system can be indicated by the following statistic. Of the 126 movies that made more than US$100 million at US box offices in the 1990s, 41 starred one or more of just 7 actors: Tom Hanks, Julia Roberts, Robin Williams, Jim Carrey, Tom Cruise, Arnold Schwarzenegger and Bruce Willis (Standard & Poor’s Movies and Home Entertainment Industry Survey, 11 May 2000: 14).

Another crucial means of formatting is the use of genre, such as ‘horror film’, ‘hip hop album’, ‘literary novel’. Genre terms operate as labels, not unlike brand names, that suggest to audiences the kinds of pleasure they can attain by experiencing the product. The terms might not be universally understood and might not even be explicitly used, but the important thing is that a type of cultural product is suggested and associated with particular uses and pleasures. Many cultural products promoted and publicised primarily via the use of genre also carry author names, but, until the author becomes a star, genre is paramount.

15 The term ‘format’ is widely used in the television industry to refer to the concept of a particular programme, such as Who Wants to be a Millionaire?, Big Brother or Jeopardy. This is often developed in an initial market and then sold as a copyrighted idea (rather than as a programme) in overseas markets (see Moran and Keane, 2004). That is not the sense in which Ryan uses the term, but this strategy can be understood as a way of attempting to spread the high fixed costs associated with developing a programme idea and reaping the reward from the relatively low variable costs.
Finally, the serial remains an important type of formatting, especially where authorship and genre are less significant. This has been an important aspect of publishing – popular fiction, comics and so on – but is also to be found with films, and even in records (such as the huge-selling compilations of the most popular music in the UK, *Now That’s What I Call Music*, issued at various frequencies per year since 1983. *Now 63* was the most recent at the time of writing).

**LOOSE CONTROL OF SYMBOL CREATORS; TIGHT CONTROL OF DISTRIBUTION AND MARKETING**

In discussing symbol creators earlier, I pointed out that symbol creators are granted considerable autonomy within the process of production – far more, in fact, than most workers in other forms of industry. There are cultural reasons for this – namely, long-standing assumptions about the ethical desirability of creative autonomy, which derive from the romantic conception of symbolic creativity, and traditions of free speech – but also economic and organisational reasons. Managers assume that major hits and the creation of new genre, star and series brands require originality. Symbol creators are usually overseen from a certain distance by ‘creative managers’ (Ryan, 1992), such as editors or television producers, who act as intermediaries between the creators and the commercial imperatives of the company. Those symbol creators who become stars – their names promising certain experiences – are rewarded enormously, but most creative workers exist in a vast reservoir of underused and underresourced talent, picking up work here and there. In many cases, production will actually take place under the auspices of a separate, independent company. Such ‘independents’ – often, in fact, tied to larger companies by financing, licensing and distribution deals – are to be found in abundance in the cultural industries, mainly because symbol creators and some audiences are suspicious of the bureaucratic control of creativity, again reflecting ingrained cultural assumptions about art. In order to control the risks associated with managing creativity, senior managers exert much tighter control over reproduction, distribution and marketing – what I will call *circulation* – than they do over production in many cases by means of vertical integration.

***

An objection might be made to a characterisation of the distinctive features of the cultural industries, such as that above, that some of these features will be shared with other industries. Such an objection entirely misses the point: it is the collective nature of these characteristics that matters. Nor, as I stressed earlier,  

---

16 Other industries have been analysed for their distinctive characteristics and Caves (2000: 1) usefully summarises some examples, such as the pharmaceuticals industry, which is marked by the particular intensity of competition over innovation; chemical process industries by rivalry over the installation of new capacity; food processing by product differentiation and the rise of dominant brands.
does the fact that cultural industry businesses are linked to other sets of industries and other businesses invalidate the idea that there are useful if provisional and porous boundaries to be drawn around the sector. Analysing these distinctive features collectively helps to understand the production and consumption of culture. The key point, though, is that whether they do so successfully or not, cultural industry companies respond in particular (though variable) ways to perceived difficulties of making profits and these distinctive dynamics play an important role in the account of change and continuity in this book.

AUTHOR TO READER

I outlined at the beginning of this Introduction why I think the cultural industries matter: the power they have to influence people, the varied ways in which they manage the work of symbol creators and their role in bringing about more general industrial, social and cultural change. Relating the fundamental concerns of the book to my own personal background may help to make them more concrete. This will help to provide context for the particular approach I take to the cultural industries, the approach developed in the next three chapters.

As a teenager, I was infuriated by what I perceived as the lies and distortions of television, and of the ultraconservative newspapers my parents read (typically for a certain section of the Northern English, working class/lower middle class). The Daily Mail and the Sunday Express seemed constantly to be attacking anyone who was trying to achieve social justice in Britain in the late 1970s – trade unions, feminists, anti-racist activists. They wrote as if the British role in Northern Ireland was one of making peace between tribal factions. Even at 15, I knew enough about Irish history to find this difficult to accept. These newspapers were also decidedly lukewarm in their condemnation of far-right neo-Nazi groups, whose graffiti was all over the town where I grew up, directed at the British South Asian community there. It seemed to me, right from my teens, that the cultural industries had a role in maintaining power relations and distorting people’s understanding of them.

My other main relationship to the media and popular culture was as a fan, and a fan I remain. Even if some media seemed to take a stance against everything I stood for, there was plenty of exciting, interesting and funny popular culture around. I still find this to be the case today, so I cannot accept the version of the cultural industries to be found in some writing on the subject – a monstrous system for the maintenance of conformity. In the late 1970s and early 1980s, the musical genre of punk seemed to me to embody the most remarkable creative energy. Suddenly, the emotional range of my small record collection was massively expanded: music could be shocking or coolly detached; intelligent or belligerent; hilarious or deadly serious. Punk musicians were always talking about the music industry and were often arguing that it could be changed, to make creativity more widespread and to make sure that more of the money went to those creating the music.

My sense of the importance (and ambivalence) of media and popular culture eventually led me to a career in teaching, where I was fortunate enough to meet
dozens of students who were prepared to share their perspectives with me. My love of US popular culture (particularly classic and Movie Brat Hollywood cinema, black music and Jewish comedy) and my fascinated loathing for the US government’s role in global geopolitics took me to the outskirts of Chicago for a postgraduate degree. Teaching and learning provided the impulse to write this book, but it’s also informed by my experience, over the last few years, of researching and writing about the cultural industries. There is an assumption among many academics that the most prestigious books will necessarily be more or less incomprehensible to students. I’ve worked hard to make this book interesting and useful for other teachers and researchers, but I’ve also endeavoured to make it accessible for students, by explaining difficult concepts as they arise and trying to get across why I think the issues I’m dealing with matter. I’ve had to assume some knowledge of and interest in the topic, but I’ve tried not to assume too much.