notes on cinema

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Making culture rational … with power

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A survey of academic writing on the business of culture will show that authors seldomly restrain themselves from making predictions or giving recommendations to the hypothetical economic actor. This offering of future-oriented arguments to an audience should not be surprising. The disciplines of economics, business, management studies and public policy teach people to theorize market behavior, build statistical models and identify the effects of variables on such things as revenues and profit. Thus, in the case of making money from culture, an opportunity for future-oriented analysis is there; it's only the subject matter that is different from the analyses of other business sectors.

These predictions and recommendations look different to those standing outside the walls of mainstream economics and its related disciplines. To them, there is a curiosity about how culture is being treated inside the economic compound: the complex movements within the big social world of culture are translated into a rational calculation of means and ends. Such a calculation appears to make sense for making money – and some predictions about the future of culture could even come true – but this type of treatment has a strong ideological side effect on our views on culture. Essentially, the more one becomes concerned with only producing sharp recommendations about what the business of culture should be doing, the more one loses sight of the underlying social structure that makes this or that shrewd calculation about the business of culture *appear* to be rational.

To think of a social process like culture in terms of means and ends, you have to define the social and natural variables that would influence the change of outcome (end) from a change in method (mean). The ideological side effect comes from a mental shorthand that can narrowly define the means and ends of an instrumental problem: you can assume certain variables will hold constant, and any constant can be removed from an evaluation of possible outcomes. For example, if the task is to give a prediction of the box-office revenues for the next month, you can simplify the task by assuming that certain things will hold true for the future: movie-going as a cultural activity; a foundational level of consumer interest and knowledge of cinema; consumers are limited to a range of leisure activities.

Many of these assumptions about what will hold true in the future are buried deep within the foundations of a future-oriented calculation. And as long as they are buried, the surface-level calculation *appears* rational under the given circumstances. That is how, for instance, the casting decisions of Ridley Scott's *Exodus* were made (https://notesoncinema.com/2021/06/30/when-hollywood-gets-repetitive-casting/): assuming that, in the future, A-list movie stars need to have the lead roles in blockbuster films; assuming that, in the future, no Middle Eastern actors will be A-list movie stars in Hollywood; and assuming that, in the future, Americans will prefer an action-oriented epic over a simpler, dramatic narrative of Moses and the Israelites; casting Christian Bale as a kick-ass Moses was a so-called rational decision, as it was defended by Scott. Under the given circumstances, the logic is air tight. Bale was the means to Hollywood's end, making money from a Biblical story.

Buried assumptions in business are actually products of institutional structure, which is the large social edifice that enables owners, bankers, managers, entrepreneurs and accountants to maintain a narrow focus on their instrumental goals. Without institutional structure, culture risks being too open-ended to calculate. The absence of institutional structure also allows culture to evolve free from an external power that could, when needed, control the scope and capacity of social creativity. This external power and its mixture with culture was described by Theodor Adorno as a dialectic between culture and administration. In this dialectic there is a tension of non-identical purposes:

> Whoever speaks of culture speaks of administration as well, whether this is his intention or not. The combination of so many things lacking a common denominator – such as philosophy and religion, science and art, forms of conduct and mores – and finally the inclusion of the objective spirit of an age in the word "culture" betrays from the outset the administrative view, the task which, looking down from on high, is to assemble, distribute, evaluate and organize.
>
> (Adorno, 2004, p. 105)

The lack of a common denominator is the effect of culture being irreducible to the means-ends logic of instrumental reason. The objectification of culture in art, symbols, imagery and meaning can certainly be treated as means to the ends of dominant social interests – e.g., cultural production for the purposes of glory, prestige or profit. But culture can also be created without any regard to "functional relationships within society". Conversely, administration can never disregard these functional relationships, as its very purpose is to control social relationships according to some mandate, whether official or tacit (Adorno, 2004, p. 108). Thus, writes Adorno,

> The demand made by administration upon culture is essentially heteronomous: culture – no matter what form it takes – is to be measured by norms not inherent to it and which have nothing to do with the quality of the object, but rather with some type of abstract standards imposed from without, while at the same time the administrative instance – according to its own prescriptions and nature – must for the most part refuse to become involved in questions of immanent quality which regard the truth of the thing itself or its objective bases in general.
>
> (Adorno, 2004, p. 113)

In the interests of profit, capitalists attempt to control the scope and capacity of social creativity through the rights of ownership, which is a type of authority that rests on the greater social system of private property. This talk of power and control might seem far removed from the financial language of business enterprise, which would be hard pressed to speak about the employment of labour in stark political terms. Yet is it a surprise we have trouble imagining that the relationship between capital and labour's creative potential is based on power? Standard educations in economics, business and finance are derived from an assumed separation of politics from economics. When perceived as an economic factor – on the assumption that economics and politics are analytically separable – the creativity of human beings is not a quality that *inherently* needs to be limited, controlled, coerced, repressed or denied by business interests. Rather, the economic picture is deceivingly harmonious in the sense that capital needs creative people to add value and creative people need capital as a factor of production. Indeed, if a free, competitive market existed for both the supply and demand of creativity, great financial successes could go to *any* type of creative innovation that successfully met market demand, especially when the supply of that type of creativity was still below what it "should" be. On matters of taboo, where some products of human creativity need to be limited by a political power – by laws, codes and standards – the economic picture of creativity and innovation does not change in kind. Instead, if one assumes that the boundaries to human creativity come not from actors inside an economy, but from an external political force, the value of human creativity can still be subjected to "the [economic] mechanics of indifference curves, budget lines, production functions and possibilities frontiers" (Nitzan & Bichler, 2009, p. 75).

For those who try to keep politics separated from economic theories of creativity, a thorny methodological issue will appear. Take the theory of creative destruction (https://en.wikipedia.org/wiki/Creative_destruction) in the business of mass culture. The history of creativity in mass culture, for example, appears to be ripe for a perspective that uses Schumpeter (2008) to theorize how creative destruction is a metaphor for beneficial economic dynamism. This sector's hyperactivity in artistic and technological progress is seemingly rational because creative destruction will replace old with new and kick-start another cycle of income. For example, writes Doyle,

> creative destruction [appears to relate] to the music sector where the progress of time has been marked by a succession of advances in audio formats, from gramophone to vinyl records to the arrival of CDs which are now being usurped by MP3 digital files. Each successive innovation has brought opportunity, success and growth for some players.

(Doyle, 2010, p. 250)

The thorn in the side of this theory comes in follow-up questions. Why did the new replace the old in that way and at that time? We can clearly see the signs of dynamism in mass culture, but how do we know that creative destruction is beneficial to society? In Doyle's terms, what is the social value that tells us that creative destruction is "good" rather than "destructive destruction" – "i.e. a phase in which businesses are eradicated but without any positive benefits being created"? (Doyle, 2010, p. 251).

These questions demand an answer that goes beyond a tautological reference to prices – e.g., any technological progress that is profitable is creative destruction, while the evolution of technology is merely destructive and wasteful when it is not. Neither is the answer satisfied by counting creativity in the amount of stuff that is made or how many times an artistic or technological method is renovated by innovation; counting creative destruction would suggest that any large increase or big change is *ipso facto* useful. Instead, the answer is found in the very place that, according to Doyle, makes the economics of culture a problematic theory. What is or is not beneficial, pleasurable or useful about cultural objects depends on what *cultural and political ideas* hold court at a certain moment in time. Similarly, the meaning of creativity is defined by a system of social significations that frame, in the words of Castoriadis, what "is and is not, what is relevant and what is not, [and] the weight, the value … of what is relevant" (Castoriadis, 1998, p. 234).

The social meaning of culture, especially its symbolic meaning (Doyle, 2010, p. 246), opens the floodgates to methodological problems in attempts to keep an economic definition of creativity separate from politics and power. In a historical circumstance in which a creative endeavour has the choice to affirm what already exists as much as it has the capacity to, in the more philosophical language of Castoriadis, become the radical creation of other forms, the business of culture is never simply about what gets produced, but about the scope of creativity: why are some ideas approved, and why are others rejected or severely modified for the purposes of business? Are some ideas naturally unprofitable? Even in the hypothetical situation in which firms are so small that they are necessarily passive with respect to the needs and wants of consumers, the business of mass culture still needs to make decisions that will refer to an established world of social signification. Thus, even a weak decision about what gets produced is already marked by the existence of social power. Unless the world of social significations is the product of people autonomously limiting themselves around a set of values, the business of mass culture is faced with the fact that the meaning of its creativity is less about consumer sovereignty and more about what cultural and political values are reinforced by the presence of society's major institutions–e.g., education, religion, science, government and the military. What sort of cultural commodity should a firm produce when dominant groups in society have clear preferences for only some ideas, values and norms?

When some capitalist firms are themselves large enough to actively participate in the very construction of social meaning, the presumed societal benefits of creative destruction become even more opaque. Note that for Schumpeter, the practice of creative destruction by big business was meant to be a substitute for the competitive drive that, in a less concentrated market, was traditionally accomplished by small entrepreneurs. Schumpeter also believed that even big businesses cannot relax their attention to technological innovation. The giant firm, *even when in a monopoly position*, "will always adopt a new method of production which it believes will yield a larger stream of future income per unit of the corresponding stream of future outlay, both discounted to the present, than does the method actually in use" (Schumpeter, 2008, p. 97).

The partial truth of Schumpeter's writing lies in the fact that these calculations are a matter of prices and profit, not much else. Yet even the largest firms are compelled, according to Schumpeter, to make beneficial contributions to technological progress because "the capitalist engine in motion comes from the new consumer's goods, the new methods of production or transportation, the new markets, the new forms of industrial organization that capitalist enterprise creates" (Schumpeter, 2008, p. 83). What Schumpeter neglected, however, were the opportunities for dominant firms to transform the principle of creative destruction itself by significantly influencing the very social-historical meaning of "new" technological improvements. We overlook the ability of dominant firms to shape the social meaning of creativity when, as Bichler and Nitzan argue, we continue to assume that the market is like a Newtonian container:

> Its particles – the utility maximizing investors-consumers – act and react on one another according to the rules of the market, but they have no bearing on the rules as such. These rules are eternally fixed, making market space independent and absolute.

(Nitzan & Bichler, 2009, p. 279)

Things look different when a social space like the market is not independent of the bodies that move and interact within it, but rather is the "order of the things" (Nitzan & Bichler, 2009, p. 278). In other words, when some firms are exponentially larger than others (measured by employees, revenues, income or market capitalization), their gravitational force can bend the curvature of the social space they and other firms occupy together.

When the shape of culture is already bent by the power of capitalist interests, the rationality of controlling culture is strengthened by the nightmare of losing control. Artistic novelty, complexity and even playful experimentation – things we are taught to celebrate as ideals – are translated into business risks because they can exacerbate competition in the form of “overshooting”. Overshooting is the “other side” of “Schumpeterian competition” (Earl & Potts, 2013, p. 153), whereby demand is destroyed by Hollywood allowing its creative labour too free a hand in innovation and complexity.

From the standpoint of Adorno’s critical theory, the concept of “overshooting” is an attempt to rationalize the so-called necessity of business to separate its instrumental goals in cultural creation from the truth of art. The rationalization attempts to spin top-down control into being a “beneficial” approach to reducing risk in mass culture. For example, management’s strict control of employee creativity is a mitigation against the so-called risks of consumer attention. Consumer attention, according to Earl and Potts, is assumed to be an independent variable that requires business to be conservative about what it can control, the creativity of its employees:

> … it is to be expected that a product will be rejected if consumers cannot “get into” it because it requires too much skill in discerning patterns in, and construct meaning from, the flow of information associated with it. If products are highly complex, many potential customers may fail to give attention to them after initially failing … to discern plot, theme, melody and so on. The human tendency to make evaluations relative to prior reference points and to suffer from loss aversion will limit the willingness of customers, as well as suits and creatives, to take risks with products that seem to be straying too far from familiar territory.

(Earl & Potts, 2013, p. 161)

The argument is rational, but only because Earl and Potts refer to the behavioural psychology of consumers in a very matter-of-fact style. With a low estimation of each consumer’s cognitive capacities, they create a situation that appears unavoidable; under these circumstances, the rational manager *must* control social creativity.

In their version of management mitigating consumer risk through its control of producer creativity, Earl and Potts ignore the ways in which dominant firms could have a hand in shaping the social environment from which consumer attention sprouts. For instance, does the global presence of Hollywood cinema have no effect on consumer predilections for types of films? Are some films or film project ideas deemed too alien, confusing or weird by virtue of how Hollywood cinema socializes and habituates our film-watching skills? Earl and Potts claim that “consumers can develop their skills in appreciating creative products by successfully trying more challenging works” (Earl & Potts, 2013, p. 161) – but does this aesthetic education take place in a vacuum, or is it the sole responsibility of the consumer? Does Hollywood have a hand in affecting the production, distribution and exhibition of “challenging” cinema?

By ignoring these type of questions, Earl and Potts hope that the business and creative sides of modern entertainment can share the same “rational” perspective about art, creativity and risk: “In working out how far the creative envelope should be pushed, both suits and creatives will, if acting rationally, take account of the need to ensure that the product that is offered aligns with the consumption capabilities of potential customers” (Earl & Potts, 2013, p. 161). Fortunately for us, the problematic assumptions that built this conclusion are easy to find. As we consider the role of power in the Hollywood film business, we can see how Earl and Potts’ argument is an example of someone internalizing all of the social conditions necessary to claim that their recommendations are rational.

Further Reading

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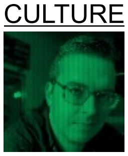

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