

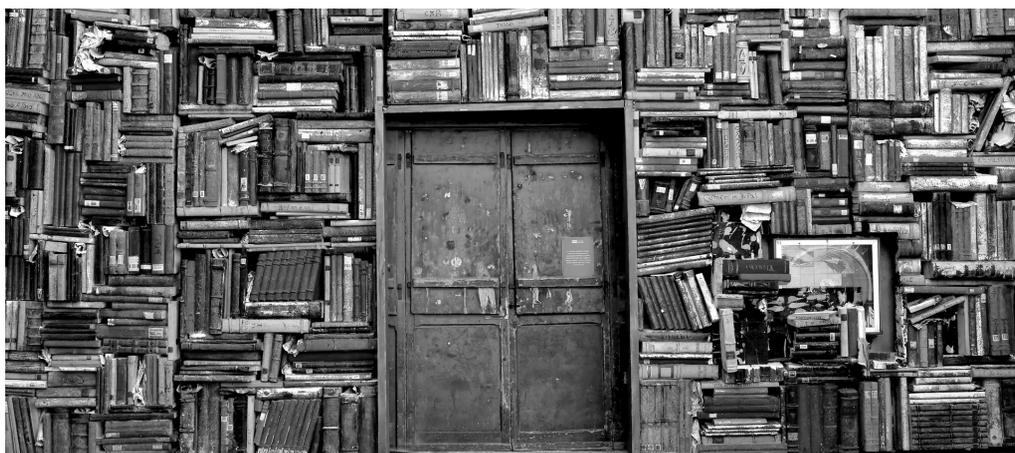
The Creative Cultural Industry: The Production of Concepts in the Process of Commodification of Culture and its Impact

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Abstract

This article seeks to assess the underlying factors behind the hype around the creative economy. On the one hand, this article tries to retrace the processes which could have caused the rise of interest and, on the other, analyse the concepts that were generated to explain the processes within cultural and creative industries. This study analyses the power relations underlying the use of both concepts. Thus, this paper aims to understand the economic and social impact of the industrial production and diffusion of symbolic products in our current world, and, more specifically, the opportunities and challenges that this scenario presents to countries, mostly peripheral ones, that seek to develop their economic strategies in the field of cultural and creative industries.



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Introduction

There is currently a huge interest around the concept of “creative industries” in the academic world, especially regarding their potential in generating new forms of employment and development in the so-called post-industrial economy. John Howkins highlighted that the creative economy, a specific economic sector driven by intellectual property, will play a central role in the 21st century economy (Howkins, 2007). A UNESCO’s report, in turn, showed that during the first decade of the new millennium this sector had reached substantial growth, reaching 7% of global GDP in 2008 (UNCTAD, 2008). As one can see, great expectations have been created regarding the possibilities of this new economy, driven by creativity, information and knowledge, to generate a new paradigm for the formulation of cultural policies, the creation of new business models and the implementation of new development strategies, both locally and nationally (Leadbeater, 2000; Castells, 2013; Howkins, 2013).

Nevertheless, this optimism is contested by some experts. Nicholas Garnham (2005), for example, argued that the term creativity does not give a reasonable parameter to assess the real economic weight of what is conventionally classified as a “creative industry”, since the term itself is vague and over-comprehensive. David Hesmondhalgh (2013), on the other hand, argued that the hype around creative industries has the effect of overshadowing the complex and ambivalent character of the industrial process of production and circulation of cultural artefacts, which he classified as “texts”. For this reason, Hesmondhalgh preferred the term cultural industries, because, in his view, such a concept offers a more critical approach to the social impact, power relations, and interests that permeate symbolic production.

In this sense, although both concepts of creative industries and cultural industries seek to analyse the same phenomenon, they seem to look at it from different perspectives regarding the conception of industrial production and circulation of “texts”, and their social and economic impacts. Part of the origin of this difference lies in the different uses that each perspective makes of the terms creativity and culture (both of complex and controversial definition), and how they relate them to the industrial production process. Further, the contexts in which both concepts have emerged differ. Whereas the concept of creative industries emerged in the 1990s when the process of globalisation intensified and there was a revolution in the means and forms of communication, which led some experts to declare the emergence of an information society and a knowledge-based economy. The concept of cultural industries, on the other hand, is linked to a long debate about the effects of the incorporation of cultural production into the capitalist system and to an industrial logic of production, exemplified in the social and economic impacts of the commodification process of culture. This analysis has its origin in studies initiated by Adorno and Horkheimer on the cultural industry (in the singular), a concept that was later improved in the 1970s by French sociologists, such as Bernard Miège, who coined the term cultural industries (in the plural), as a way of expressing the complexification this process was having in that period (Hesmondhalgh, 2013).

In this regard, it is essential to have a better notion of what the cultural or symbolic production and consumption in our current world entails. This analysis aims at not only critically assessing the mechanisms and the social and economic impacts of this sector but also highlighting the importance of unravelling the power relations, interests, discursive practices and contradictions that

underlie the concepts that were devised to explain such phenomenon. Thus, this article has the objective of contributing to this debate by carrying out an analysis of the main characteristics of these two concepts, cultural industries and creative industries, focusing on the assessment of their functions, the contexts in which they emerged and, especially, the power relations that both sustain and connect them with one another.

This task will be undertaken by combining a long-term historical analysis to assess the contexts and processes (political and economic) that influenced cultural production and consumption throughout the twentieth century, with a genealogical analysis of the social and cognitive functions of the concepts that came to explain this phenomenon. Therefore, on the one hand, this analysis will be based on the model of analysis implemented by David Hesmondhalgh (2013), about tracing patterns of change and continuity in the cultural industries through long-term historical currents. On the other hand, this historical analysis will serve as a basis for the development of a reflection, based on a genealogy which aims to understand the origin of the concepts that have arisen to explain such phenomenon, as well as the relations of power and the interests that permeate the social functions they exert.

A genealogical analysis of a nation cannot seek to outline a history of its birth and development as a linear and causal progression. Nor can it provide a history that hinges on events or the actions of individuals. Rather, a genealogical approach allows us to focus on the discontinuities that punctuate history; it "cultivate[s] the details and accidents that accompany every beginning" (Foucault, 1984: 80). It means that the shifts in history and the changes in regimes of truth can be focused

on. It also means that the subject is not the centre of history, but rather, genealogy "shows how the subject is created by power-knowledge complexes of history" (Shiner, 1982: 7).

In this sense, this article seeks to assess what is really entailed in the hype around the creative economy, by trying, on the one hand, to retrace the processes which could have brought it about (the expansion of industrial production and diffusion of symbolic products throughout the twentieth century); and, on the other, analyse the concepts that were generated to explain cultural industries and creative industries. My interest is to analyse the relations of power and interests that underlie the use of both concepts. Thus, this paper aims to understand the economic and social impacts of the industrial production and diffusion of symbolic products in our current world, and, more specifically, the opportunities and challenges that this scenario presents to countries, mostly peripheral, that seek to develop economic strategies in this field.

Therefore, the idea behind this article is to try to demonstrate that ever since cultural production was incorporated into an industrial logic, following the process of capitalist expansion, this model of production tended to organise itself into oligopolies, which concentrated and controlled production and the diffusion of cultural products. This established a process that generated inequalities, asymmetries and exclusion in relation to those that are part or not part of its dominant nucleus, as well as the tendency of this industry to manipulate cultural consumption patterns as a way to assure its commercial interests. From there I will analyse the concepts that have emerged to give meaning to this process ('cultural industries' and 'creative industries'), trying to unravel the power relations and interests that sustain them, and then analyse their

social functions and impacts. Finally, I will conduct a brief analysis of the impacts of all these processes on peripheral countries that seek to create a development strategy based on the economic use of their cultural products.

The Rise of a Cultural Industry

The study of cultural industries is linked to the combination of two ideas: the question of what the term culture entails, and the process of industrial production of cultural expressions. Assuming that both ideas are part of a long and controversial debate, with regard to their definitions and their role in society, the starting point for this article is to try to establish some basic parameters on this topic. This foundation will be fundamental to establish the pillars that will support the arguments advocated in this article.

According to Reeves (2004), the word “culture” appeared in the Italian peninsula around the thirteenth century, with the purpose of “cultivating” the land, an idea that eventually gave rise to the word “agriculture.” Progressively this word came to be associated with the idea of cultivation of habits and the human intellect. This re-signification was particularly strong in France, where the word culture came to be understood as a process of constant “improvement” of peoples’ ways and models of life, and thus a goal to be achieved by all people. This humanist view of culture was eventually associated with a conception of civilisation in which the “most advanced” civilisations would lead the “least advanced” ones along with a progressive evolutionary process which all human societies would be destined to go through. This notion of civilisation, in turn, served as a substrate for nineteenth-century European imperialism, by sustaining the narrative of a civilising mission.



In the same century, the word “culture” took on another meaning, linked to the German word Kultur. The conception of culture expressed in the word Kultur was linked to the aims of the German elites in diminishing the cultural influence of France in its courts and building a German nationalism. Consequently, Kultur sought to represent the cellular exclusivity of a particular community, sustained by its traditions, biological and linguistic ties, and by the spirit of the people (or *Volksggeist*).

The accumulation of these reflections gave rise, at the turn of the twentieth century, to the anthropological conception of culture, which began to overthrow the dominant humanist conception of culture. In the 1920s, the anthropological conception of culture gained strength among American social scientists, and it was improved by such intellectuals. In the United States, the word “culture” has come to represent the particular ways and customs of each human grouping. That is, culture is the expression of the collective imagination and the worldview of each group of people.

This view contradicted the humanistic conception insofar as the term culture was no longer understood as a level of civilisation to be achieved, but something intrinsic to each human group, without a necessary hierarchy between them. However, although the anthropological definition of culture is the most accepted today, the complexity and subjectivity that surrounds the word culture means that the debate about its definition remains open and is surrounded by controversies.

In this work, the anthropological conception of culture will be adopted, particularly in the way Raymond Williams saw it, as “the ‘whole way of life’ of a distinct people or other social group” (Williams, 1981: 11); and supported by Eric Hobsbawm’s view of culture as a symbolic substrate that sustains national identity (Hobsbawm, 2008). Therefore, seeing as culture is linked to the expressions of the immaterial and symbolic universe of people, it is important to seek an understanding of the economic and social impact caused by the process of transforming cultural expressions into



products, mainly when these cultural products can influence people's perception of reality and identity.

In this sense, Hesmondhalgh (2013) emphasised that studying the phenomenon of cultural industries is important because it is a specific type of industry that is focused on the industrial production and circulation of what he classified as "texts", i.e. cultural artifacts that are open to interpretation, which carry signification and have a communicative goal, as is the case of films, records, books, images, magazines. In other words, cultural industries can be understood as a signifying system through which social order is communicated, reproduced, experienced and explored (Williams, 1981: 13).

Consequently, companies focused on the production of books, films or music should not be understood as mere producers of entertainment, but reproducers of meaning and symbols, which may exert influence on the cognitive process of those who consume such products. Thus, companies within cultural industries are primarily involved in producing texts and communicating them to an audience; and when these cultural products come to be produced and disseminated industrially, such industry becomes a powerful system of meaning production, capable of exerting great influence on how people make sense of the world around them and about themselves (Id., 2013).

The emergence of a culture industry occurred in Europe throughout the nineteenth century, when the traditional systems of patronage, which had sponsored cultural production until then, gave way to a market-oriented symbolic production. This process was directly linked to the profound economic and social transformations on the backdrop of the expansion of the

capitalist system in that century (Williams, 1981), especially regarding the advances of industrialisation and the development of new communication technologies which expanded the possibilities of cultural production (Hesmondhalgh, 2013). In addition to that, the establishment of copyright laws, ensuring property rights and commercial value of cultural products, created the conditions for the expansion of the process of the "commodification of culture", that is: the transformation of culture, until then shared by the collectivity, into a private property. It is a process which, by limiting access to common goods, grants the market value of the cultural production, thus consolidating the appropriation of culture by the capitalist system (Id., 2013; Frith and Marshall, 2004; Tosta Dias, 2008).

This framework allowed the cultural industries to expand with great speed during the first half of the twentieth century, demonstrating the strength of this sector for the global economy. Thus, European countries like England, Germany, France, but also the United States, soon stood out as major exponents of this sector, not only establishing large national cultural markets but also directing much of their production to international expansion. As a result, companies from these countries, linked to their cultural industry, began to gradually establish global dominance over the production, distribution and consumption of cultural products. As it was the case, for instance, in the phonographic industry. "The leading companies set their goals internationally from the very beginning. The local factories were built up in the most important markets and, through networks of subsidiary companies and agencies, the companies covered practically the whole world. By 1910 there were hardly any countries in the world where the record industry had not

established itself, and German and British gramophone companies fought just as bitterly as any other branch of industry in the years preceding the First World War” (Gronow, 1983: 56).

By the 1940s, cultural companies had already achieved a great industrial capacity, had a high diversification of cultural products, organised themselves as oligopolies, and acted globally. Theodor Adorno and Max Horkheimer, two German-Jewish philosophers associated with the Frankfurt School of Critical Theory, while exiled in the United States from the Nazi Germany, coined the term “Cultural Industry” to criticise this process, drawing attention to how much culture was being degraded by being transformed into an industry, losing its critical and emancipatory aura (Adorno and Horkheimer, 1985). In their book *Dialectic of Enlightenment*, published in 1944, Adorno and Horkheimer developed a profound critique of the incorporation of culture into a model of industrial production, which denounced the loss of culture’s ability “to enact utopian critique because it had become commodified – a thing to be bought and sold” (Adorno and Horkheimer cited in Hesmondhalgh, 2013).

It is not by chance that Adorno and Horkheimer developed the concept of cultural industry in the United States, an advanced capitalist democracy – which they described as an empty and superficial place, almost as bad as the Germany they fled – that had already reached a great capacity of production, consumption and diffusion of cultural products. The accelerated process of industrialisation that the United States was experiencing since the end of the nineteenth century allowed the country to strengthen itself economically and expand its domestic consumer market, thereby creating a

potent cultural industry in the early years of the 20th century. Consequently, after consolidating their national performance, US-based companies in the cultural sector harnessed the strength of their local market to expand internationally. Eventually, this constant quest to open new markets in every corner of the world would propel the American cultural industry into global hegemony.

The Expansion of the Cultural Industries

After the end of World War II, the United States was in a privileged position. Whilst the European economy had been destroyed during the war, American industrial areas remained preserved. Such privileged position allowed the American economy to grow at an unprecedented rate, thereby inaugurating the golden era for American capitalism. With this favourable economic picture and the support of the American government (which saw the global diffusion of American cultural expressions and values as a powerful political tool), American companies linked to the cultural sector could organise themselves as large corporations and conquer several international markets without major risks or rivals. In the mid-1950s, this synergy of forces and interests consolidated the hegemony of the American cultural industry.

In the meantime, the European countries concentrated their efforts on national reconstruction after having their societies destroyed by the war. This interregnum caused the slowdown of the expansion of the European cultural industries, opening space so that several American companies, linked to the cultural sector, could expand their activities throughout the European

continent. By dominating Europe's cultural market, the North American cultural industry not only managed to secure a massive presence in several European countries, including traditional competitors in the field of cultural production, such as Germany, France and the United Kingdom but also secured a more solid base for widening its global expansion.

With the beginning of the economic recovery of several European countries around the 1960s and the consequent resumption of their industrial production, they reheated the activities of several European companies linked to the cultural sector, which began to dispute the cultural market of the region with American companies. This led European governments to be concerned about the massive presence of the American cultural industry, perceiving it as an obstacle to the development of Western Europe. As a result, such governments have begun to develop public policies to create the necessary structural conditions for overcoming the fragilities of their cultural industries, mainly through new regulations to stimulate endogenous cultural production in Europe and to protect their national markets. One of the targets of this regulation was telecommunications, which, because of its strategic role in the dissemination of content, started to experience strong state control and investment (Hesmondhalgh, 2013).

Over time, as economic growth and political stability were being restored in Europe, its citizens, by achieving higher standards of living, were able to provide a larger share of their time and income for leisure and entertainment. This scenario of economic recovery allowed European governments to develop cultural policies and direct investments to stimulate the cultural sector, thereby widening the conditions for the exponential increase in production

and consumption of cultural products in the region. The sum of these two factors drove the strengthening and growth of the European cultural industry.

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And while such a revival of the European cultural production was not enough to outdo the American cultural industry, the growth of the European cultural market contributed to a global expansion of the production and circulation of cultural products, which boosted diversification and complexity of this sector. As a result, by the mid-1970s the production and circulation of cultural products had already reached a high degree of complexity, particularly in terms of how much culture, society and business became more intertwined, and how large transnational corporations came to produce films, music and television programs on a huge scale, and diffuse them globally to an international audience increasingly eager for entertainment.

Interested in understanding this process and reflecting on the social impact of this transformation in the production and dissemination of symbolic products, left intellectuals began to rescue the studies of the Frankfurt School theorists on this phenomenon. Among them was French sociologist Bernad Miège (1989), who paid special attention to how the term "cultural industry", coined by Adorno and Horkheimer,

explained the limitations of modern cultural life. Further on, these sociologists appropriated the term and converted it into “cultural industries” in the plural. Thus, although analyses of the cultural industry developed by the critical theorists of the Frankfurt School influenced the reflections of French sociologists, the latter rejected what they saw as a one-dimensional and romanticised view of Adorno and Horkheimer. According to the sociologists, the use of the term cultural industries would more accurately portray the degree of complexity, diversification, ambivalence, and diffusion potential that cultural production had already achieved by then.

Thus, throughout the 1970s, cultural industries, both in the United States and in Europe, expanded, diversified, formed large oligopolies, and finally boosted a deep intensification of global flows of cultural products. Therefore, despite the disproportionate North American presence in the cultural sector, there is a multiplication of the poles of cultural production, including the participation of small producers alongside large corporations (Hesmondhalgh, 2013).

Therefore, the first two sections of this paper sought to highlight the expansion of cultural production led by the large transnational corporations. The corporations always tried to create the best conditions for their business and economic interests, which was not always on par with the interests of the general public. On the other hand, the development of the “cultural industry” reflected this dialectic, since the term exposed such contradiction; and its updated version

“cultural industries” highlighted how much this contradiction was amplified following the degree of complexity and amplitude that this industry had reached by the 1980s. Thus, both concepts provided an anti-hegemonic reflection of the process of expansion of cultural production.

The Age of Multi-Media Conglomerates and the Hype of Creativity

Amid the expansion of the cultural industries described above, the relative political stability and economic expansion reached by the central powers were struck by some political and economic factors² that took place from the mid 1960s and the 1970s. These factors, which began to reverse the economic growth experienced until then, triggered an accelerated decline in various industry sectors and generated a profound crisis in Western societies during the 1970s, a process which Hesmondhalgh described as the “Long Downturn” (2013: 11).

The response to the crisis came through measures aimed at restoring political stability and economic growth through a restructuring of the global economic order. A package of measures aimed at limiting state intervention in economic life and removing any obstacle to global free trade was established. Alongside with this, a series of deregulation and re-regulation policies were implemented. On the other hand, new laws were introduced that made merger and acquisition between companies

2 - Among the major political and economic factors that have shaken the international order since the 1960s, it is possible to highlight the process of decolonization in Africa and Asia, which generated several new countries claiming their right to development. On the other hand, the oil shocks of 1973 and 1979 profoundly impacted the global economy, which eventually destabilized the industrial growth of the central countries. In the case of the United States, this picture was particularly striking, as it added to the high cost of the Vietnam War and the loss of commercial space for the growing industrial production of Germany and Japan.

possible, creating the conditions for the unrestricted activity of large corporations in international markets. All these initiatives were aimed at restoring the global economy and ensuring that large corporations could ensure high-profit margins (David Harvey, 2004). As a result, major corporations in the cultural sector were able to expand their internationalisation process and form large transnational conglomerates, which greatly strengthened their global power.

In parallel to this process, the development of new communication technologies and the emergence of new business techniques (such as re-engineering, downsizing just in time and total quality management) allowed such corporations of the cultural sector to make their production process even more efficient and diversified. This gain in productivity had the effect of broadening the global reach of their products. On the other hand, these new communication technologies led to the emergence of a networked society, in which information and knowledge became fundamental factors for social relations and as the engine of new economic dynamics (Hesmondhalgh, 2013; Castells, 2013).

While, on the one hand, the new economic policies made possible the rise of a neoliberal wave, the new information technologies, especially the internet, changed consumption habits and triggered profound transformations in cultural production and circulation. Therefore, the continuous technological improvement of global information and communication flows made possible the rise of a network society (Castells, 2013) and the rise of the Information Society discourse. This new model of social and economic interactions created the conditions for cultural and symbolic productions to circulate more intensely throughout the globe (Almeida, 2008; Hesmondhalgh, 2013).

Therefore, the crisis represented by the “Long Downturn” opened space for a deep restructuring of the cultural production model, which eventually led cultural industries to reach centrality in the international economy. As a result, the main corporations in the sector began to organise themselves as multimedia conglomerates, expanding their capacity for production, diversification and diffusion of cultural products, which allowed them to increase their dominance at the global cultural market. Today, these conglomerates concentrate their power of production and symbolic diffusion, which gives them the ability to establish patterns of cultural consumption, set trends across the planet and position themselves as cultural gatekeepers, which gives them the power to silence productions or producers that do not match their interests.

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In the midst of this process, and as an unfolding of the discourse of the information society, the word “creativity” describes one of the driving forces of the post-industrial economy driven by ideas, creativity, and knowledge. This argument gained ground in the mid 1990s when the governments of Australia and the United Kingdom began to articulate their goals of implementing new cultural policies, which were now justified by the argument for stimulating the creative potential of localities. This discourse was based on

a neoliberal narrative, which sought to revitalise cities which had suffered a decline in commercial or industrial activity during the Long Downturn period, by redirecting economic vocation to the field of creative economics. The relative success of some of these projects, such as the reinvention of the Welsh/English border town of Hay-on-Wye as a literary centre, helped the creativity argument to gain popularity among politicians, entrepreneurs, and market gurus. Thus, the term creativity, as a justification for public policies aimed at cities, turned into a more powerful economic argument, being incorporated into the broader discourse of governments and corporations.

The emergence of the term creative industries seems to be a further development of this continuous process of incorporation of all aspects of human expression and its linkage to an industrial logic of production by the capitalist system.

Following this, a hype around the word creativity arose, which underpinned the idea of a potent creative economy established in the 21st century, driven by the rapid advance of the globalisation process and the expansion of global information and communication flows. The expectation of the potential of this new economy began to be evidenced in various reports and books published at the turn of the new millennium, describing cases of success and optimistic projections for the future.

This optimism reinforced the hype around the term creativity, broadening projections of

the creative economy's boom. Intellectuals and research centres began to promote the narrative that the creative economy would point to new ways of generating income and development, and, thus, not only companies but also governments should invest in the so-called "creative industries" and devise mechanisms to become competitive in such a promising sector.

It is possible to conclude that the construction of the narrative about the potentialities and possibilities of a creative economy is, on the one hand, linked to the expansion and consolidation of neoliberal ideology in the 1990s, and, on the other, it is linked to the consolidation of the hegemony of production and diffusion of cultural products in the hands of a few multimedia conglomerates. An unfolding process of de-regulation of the 1980s, which allowed corporations operating in various industries to merge with other companies working in various sectors of cultural production and related fields, such as information technology, fashion and video games.

The emergence of the term creative industries seems to be a further development of this continuous process of incorporation of all aspects of human expression and its linkage to an industrial logic of production by the capitalist system. In this sense, such a concept would further reinforce the discourses aimed at blurring the contradictions and imbalances of symbolic production and circulation, especially regarding its high degree of concentration, its mechanisms of control and means of manipulation of perception. On the other hand, by uncritically highlighting the creative industry's high rates of growth, this concept ends up with a vain optimism, as many of these figures, which sustain the boom of the creative economy are vague and often contested. As a result of this,

the popularisation of this concept may distort the necessary reflection on the real impact of this industry on people's lives and social relations, by propagating a false chance of success for all those who know how to invest in creative industries, due to the high degree of concentration and competitiveness in this market.

Therefore, the popularity of creativity may mask the fact that cultural industries have been consolidated through the constant processes of exclusion, domination and manipulation. With this in mind, I believe that the concept of creative industries can have the effect of obfuscating the critical view embedded in the concept of cultural industries, emptying a whole history of reflections initiated by the critical thinkers of the Frankfurt School on the process of appropriation of culture by the capitalist system.

Globalisation, creative industries and development

As demonstrated above, this article argues that the current hype around the term creativity and the optimistic projections about the economic potential of the creative industries are directly related to the political, economic, social and cultural transformations that occurred all over the globe between the 1980s and 1990s. These transformations began with the series of economic and political reformulations implemented since the 1980s in response to the crisis of the period or, according to Hesmondhalgh, "the Long Downturn", which paved the way for the rise of neoliberalism. Then they were driven by the new communication technologies such as the Internet, which amplified the global flows of information and interconnectivity

among people. Finally, they were spread throughout the planet with the expansion of the globalisation process, which consolidated interdependence between states throughout the first decade of the 21st century (Nye, 2004; Sassen, 2005; Scholte, 2005).

The point to raise here is to offer a reflection on how this process can affect peripheral countries with great potential for cultural production, that are now concerned with protecting their cultural identity. While these transformations created the conditions for the expansion of global symbolic production flows, they also expanded the domain of production and diffusion of these products by a few corporations, which took the form of multimedia conglomerates. Therefore, this type of reflection is fundamental for these peripheral countries to better evaluate the best insertion strategy in this market in order to find the necessary breaches in the rigid structure of global cultural production and convert the economic strength achieved by creative economy into a real vector for development.

In this sense, I will start this reflection by raising some questions about how cultural production and consumption can be affected by the globalisation process. The 'cultural imperialism' perspective raises the question of whether this global flow of texts, dominated by such companies, would generate processes of acculturation. Alternatively, the active audiences' theorists argue that there would be some ambivalence in such flows, which would in the end generate less asymmetric interactions.

In this respect, Canclini argued that there are no passive recipients and therefore the intensification of cultural exchanges promoted by globalisation would not generate acculturation, but rather the

hybridisation of cultures and identities. However, Hesmondhalgh pointed out that although cultural imperialists do not take the analysis of the high degree of complexity and multidimensionality achieved by global cultural flows into account, one cannot fail to consider that, coupled with the process of globalisation there are certain processes of cultural domination and homogenisation (Hesmondhalgh, 2013).

Such reflections allow one to raise questions about the complexities and ambiguities of the process of global expansion as a means to understand how its unfolding into the field of culture can impact political, economic and social relations.

Renato Ortiz (1994), in turn, sought to broaden the debate about the possible emergence of a global culture and its economic and social implications, by coining the concept of world-modernity. The world-modernity would be a kind of driving force of cultural globalisation, capable of shaping the 21st century society according to the new patterns and traditions arising in post-modernity. This new environment would have something culturally interconnected due to the new identities and shared values that emerge as globalisation advances, forming a kind of global community that would subvert the logic of a mass cultural market.

According to the author, the post-modern diversity would become the motor of cultural industries. However, the kind of diversity valued by this new global society would be conditioned by well-established parameters controlled by powerful centres

of diffusion of culture and values. Therefore, there would be a process of standardisation of internationalised profiles, generated according to the internationalised values and customs sterilised of any direct connection with a specific national identity. Ortiz also argued that in this new society and new identities shaped by the new processes of building traditions and consumer habits are globalised. This results in the reinforcement of the processes of standardisation and control in line with the specific interests of those who maintain this new economic-cultural system.

The strategy is to segment the world's population through the dynamics of the "world-modernity" according to their consumption habits based on globalised values. The actors that best positioned in this environment are the transnational companies that act like great multimedia conglomerates with decentralised networks. This strategy makes these conglomerates bring together various activities in a single corporation which allowed them to greatly expand their capacity to produce and disseminate cultural products.

Such reflections allow one to raise questions about the complexities and ambiguities of the process of global expansion as a means to understand how its unfolding into the field of culture can impact political, economic and social relations. However, even without the exact measurement of the phenomenon, it is possible to perceive that there is an expansion of the internationalisation of cultural businesses and that the consequent expansion of the global circulation of information and cultural products has caused profound impacts on social and economic dynamics (Hesmondhalgh, 2013).

As shown above, one of the impacts of the globalisation of culture is the significant

The strategy is to segment the world's population through the dynamics of the "world-modernity" according to their consumption habits based on globalised values.



influence of the main cultural diffusion centres on various patterns of behaviour and consumption, which reshapes fundamental characteristics of various societies and creates cultural clients. On the other hand, this new economic system driven by ideas and no longer by objects (Reis, *ibid.*; Howkins, 2007), which has led to hyper-valorisation of the creative economy, is restrictive and exclusive. This is because this economic system is dominated by multimedia conglomerates that place great power on the production and diffusion of culture as well as dictating cultural trends and concentrating intellectual property rights. Within this framework, there is little chance that actors who do not have these resources will be truly competitive in this sector, even if they have great creative potential.

(...) one of the impacts of the globalisation of culture is the significant influence of the main cultural diffusion centres on various patterns of behaviour and consumption (...)

The shift of meaning in the available concepts which could help make sense of this process is fundamental. While they are determining factors to how governments, companies and people, in general, will perceive and position themselves in relation to these dynamics. In this sense, each of these concepts reflects relations of power and interests that permeate the production and circulation of symbolic products.

Therefore, the term “cultural industry”, a product of the critical reflection of the Frankfurt School, came to denounce the process of commodification of culture

and the loss of its liberating aura by its incorporation into the capitalist system. This concept was later updated to “cultural industries” by French sociologists to portray how that industry had grown and complexified and ultimately retained its critical and anti-hegemonic character.

However, the emergence of the term *creative industry* can be considered not as a continuation of this critical reflection, but as a rupture, a byproduct of the very process that the Frankfurt School began to criticise. This characteristic makes the term *creative industries* an uncritical concept and over-optimistic over the directions taken by the production and diffusion of symbolic products in the 21st century. Therefore, instead of unravelling the contradictions and injustices of this process, the term *creative industries* seems to seek to reify this process, masking the relations of power and interests that have always permeated this industry.

Thus, by selling vague and superficial optimism as the possibility of any creative producer from anywhere on the planet to find its place under the sun in this burgeoning creative economy, it has the effect of distorting and making superficial the fundamental debate about the impacts of the expansion of cultural industries on international, economic, social and cultural relations. Therefore, while creative optimism is propagated (it is yet another product to be marketed by this industry), important questions remain open; mainly in relation to the impacts of the expansion of this industry to the preservation of global cultural diversity, for overcoming the economic asymmetries between developed and developing nations and for the implementation of cultural policies by peripheral countries.

Conclusion

Through a long term analysis perspective, this article sought to analyse the factors that entail the current hype around creative economy by looking at the trajectory of an industry that produces and diffuses symbolic products. It specifically focused on the analysis of the concepts that help to explain and make sense of such phenomenon, seeking to identify the relations of power that permeate them and the possible social impacts of these power relations. This analysis allowed raising some questions about the opportunities and challenges that this scenario presents to the countries, mostly peripheral ones that seek to develop their economic strategies, based on cultural policies that aim to turn their national cultural expressions into source of revenues.

This analysis considered that the current hype around the creative economy is yet another step into the process of expansion of the capitalist system in time, space and for various human, material and immaterial activities such as cultural production and intellectual production. This stage was driven by the conjunction of two dynamics: the continuous expansion of the industrial production of symbolic products in the hands of a few transnational corporations and the production of concepts that describe and give meaning to this process. As shown in the article, the consolidation of this conjunction from the 1980s onwards created the conditions for the rise of a new narrative around the great economic potential of the creative economy in the Information Age. Thus, boosted by the expansion of the globalisation process and the new media revolution, the creative industry hype reaches its apex in the first years of the 21st century.

My argument is that these two dynamics started as two dialectically antagonistic

forces. Throughout most of the twentieth century, both the concept of the cultural industry, coined by Adorno and Horkheimer, and its later updated version, the concept of cultural industries, made by French sociologists (like Bernard Miége), were developed with the objective to criticise and reveal the contradictions, distortions, power relations and social impacts of the process of commodification and industrial reproduction of cultural expressions, emphasising the problem of symbolic production being concentrated and dominated by an oligopoly. However, at the end of the 1980s, these two antagonistic dynamics began to merge, as an unfolding of the accumulation of power that cultural industries began to achieve in that period. A milestone in this process was the process of deregulation and re-regulation, which was established as the response of the central countries to the political and economic crisis of the period, which not only made possible the broadening of power of the main corporations that have always dominated this sector, but also influenced the process of analysis on the expansion of cultural industries.

Therefore, what Hesmondhalgh described as "The Long Downturn", despite the crisis and perhaps because of it opened up a new opportunity for the reformulation of the global economic order, based on a series of measures linked to the neoliberal paradigm, which allowed a greater concentration and the increase of power of major corporations dominating the sector that have come to take the form of multimedia conglomerates. The process similar to what Schumpeter (2009) described as "creative destruction" in which the continuous movement of pressure and contraction in the expansion of capitalism, a process that transforms crises into an opportunity for transformation, which, in the end, further strengthens its strict structure and creates new avenues to continue its

expansion. In this sense, the response to the crises of the 1980s gave conditions for the cultural industry to accumulate more power and thus generate another tentacle: the production of uncritical concepts about itself, whose ultimate function is its reinforcement and rectification.

In this new phase, the production of these new concepts tends to obscure the traditional concepts that critically analysed the expansion of the cultural industries, thus creating vague models of interpretation. The term "creative industries" falls into this category, since the concept has the function of generating a new narrative about this process, which would have the effect of not only emptying the critical character of traditional analyses of the cultural industries' dynamics but mainly to function as a mechanism for strengthening hegemonic order and discourse. As this analysis revealed, the emergence of the concept of creative industries, as well as optimism around the creative economy, is a byproduct of the continuing process of expansion of cultural industries. And, in this sense, they are also cultural products, which were produced by mechanisms and logic intrinsic to the industry itself, to exalt the economic potential and the opportunities opened by a supposed creative economy on the rise. Therefore, they would function as masking the contradictions and power relations that underpin this industry, reinforcing its expansion process and rectifying the discourse which underpins this process.

In this sense, it is fundamental that actors who aim to compete in the creative field, but who are outside of the dominant centers of this industry, understand this process and the functions of the concepts and discourses developed that give meaning to it, in order to better understand

the relations of power and interests that sustain this industry, and from there, have more clarity about the real challenges and opportunities that this scenario presents to the countries, especially peripheral ones, that seek to develop economic strategies in this field. The way in which the production and diffusion of cultural industries are structured, dominated by a few multimedia conglomerates, which maintains practices of strict control of the global circulation of cultural products and great power of promotion and marketing of its products, has the effect of excluding other producers and threatens the preservation of the global cultural diversity.

It is therefore imperative that peripheral countries seeking to create a development strategy based on the cultural economies or seeking to protect their national cultural identity against the backdrop of a global process of standardization of cultural habits and worldviews, have the exact notion of the mechanisms that dominant corporations use to maintain their hegemony, expand their markets and exclude other competitors. Understanding these processes can help these countries to position themselves realistically and critically against this reality and, from there, develop the strategies that best suit their interests.

Therefore, the goal of this article was to draw attention to this fact, highlighting the need to re-incorporate a critical perspective initiated by the Frankfurt School to the current debates on the potential of the creative economy. This critical perspective should serve as a parameter of action and strategic positioning for the peripheral countries that aim to implement development projects that include the cultural aspect.



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