

SPECIAL THEME ARTICLES:
CULTURAL COMMODITY CHAINS

Cultural Commodity Chains, Cultural Clusters, or Cultural Production Chains?

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ABSTRACT The paper begins with a discussion of the definition of cultural industries. The paper's three main themes are concerned with, first: 1) a contestation of the generic application of the global commodity chain concept, 2) the need for a unique focus on cultural industries associated with the particular nature of its production process, and 3) the role of embedded judgments of quality is an integral part of this process. Second, the paper suggests that a restyled focus on production chains (involving the full cycle of production to use) might be more appropriate than "commodity chains" for this application. Finally, issues of spatiality and scale are discussed: it is argued that although global commodity chain debates explore linkages at a regional and national scale, they downplay linkages at the local level.

Introduction

This thematic section of the journal has been stimulated by a general theoretical debate within economic geography, which is how to engage with culture. Some existing responses have ranged from those that seek to conceptualise the process as lying on a dualism from the culturalisation of economic life, to those that view this as the economisation of cultural life (Amin and Thrift 2007; Scott 2000). Arguably, both underplay the potential specificity of cultural production. Increasingly, analysts and policy makers have pointed to the fact that cultural production is itself a major sector of the economy and that it is growing at a rate beyond that of the rest of the economy (Siwek 2002). Within the existing dualisms of culture and economy there seems to be little space to debate the nuanced specifics of the cultural industries, aside from "it's all cultural now." This is a lost opportunity. Arguably, the study of the cultural industries presents the best opportunity for a case study in the "eye of the storm" of economic-cultural change. Thus, the justification for the concern in this collection is not that production is becoming more cultural, but what

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the specificities are of cultural production. If, as some assume, the economy is being “culturalised,” then changes in the cultural industries might serve as an interesting weathervane that could mark the future of the whole economy, or it may be that the cultural industries are different, in particular ways, from other parts of the economy.

Another stimulus for this theme was the frustration at culture being used too widely and generally as a way of defining a non-economic context, or as a means of deploying instrumental policy. What we wanted to highlight was that as well as culture being used in an instrumental manner, there was also a relatively unexplored role of culture playing a role in its own right. Properly founded policies and evaluation strategies should be alert to, and able to distinguish between, the instrumental and the uses of culture “for itself” (this may be an “arts” objective, or one to develop the cultural industries).

Finally, there is the observation that cultural production does have a distinct and focused spatial form. It has been noted that cultural production—and consumption (see Mommaas (2004))—has a tendency to cluster or co-locate. Certainly, there is a dominant discourse in value chain analyses, notably by Porter (1998), that clustering is a key to competitive advantage, although this remains a rather uncertain proposition (Martin and Sunley 2003). The jury is still out on the nature, cause, or consequence of such inter-relationships. However, it is clear from production chain analyses that such clusters are not “stand-alone” but are nodes within multiple production chains. Those interested in organisational analysis have argued that the network, cluster, or node is a more relevant analytical object than the firm in these circumstances (Grabher 2001). Once again, this suggests that there may be some exceptionalism in the case of cultural industries. The theme of this overview essay is the value of a global commodity chain (GCC) approach, and the importance of specificity and uniqueness of production processes in the cultural industries.

In recent years, the notion of GCC has gained significant attention in the economic development literature (e.g., Gereffi, Korzeniewicz, and Korzeniewicz 1994; Gereffi et al. 2001; Kaplinsky 2000). Regardless of interpretation and use, it is commonly assumed that GCC analysis, and associated strategies, have a generic character and can be applied across all industries and places. Historically, research on GCC grew out of analyses of agricultural commodity chains (Daviron and Ponte 2005; Gereffi, Korzeniewicz, and Korzeniewicz 1994; Raikes, Jensen, and Ponte 2000) and has been notably extended into textiles, footwear, and semiconductors (Bazan and Navas-Aleman 2001; Blair and Gereffi 2001). Little research has been carried out specifically on the cultural industries (but see Leslie and Reimer 2003; Leslie and Reimer 2006). This paper explores the case for a specific inflection of the GCC concept, termed here “production chains,” to the case of the cultural industries. This paper and the contributions to the special theme section more generally resolve on three issues. First, the paper argues against a generic application of the GCC concept, the need for a unique focus on cultural industries associated with the particular nature of its production process, and the role of embedded judgments of quality is an integral part of this process. Second, the paper considers that a restyled focus on production chains (involving the full cycle of production to use) might be more appropriate than “commodity chains” for this application. Finally, issues of spatiality and scale are

discussed: while GCC debates explore linkages at a regional and national scale, they downplay linkages at the local level. The paper begins with a discussion of the definition of the cultural industries.

The Cultural Industries

The cultural industries are a relatively new object of interest. In part they are new because they have not existed as long as many other industries, and critically, they are a novel object of interest because they have experienced massive growth in the last 25 years (e.g., KEA European Affairs 2006). A second reason for the concern is the fact that only recently have data become available on the economic contribution of the cultural industries: previously, poor definition and lack of data collection served to obscure these activities from visibility (Pratt 2001). Even so, there is still considerable vagueness of definition and usage in the policy community and, to a lesser extent, in the academic community (Hesmondhalgh and Pratt 2005; Pratt 2005). A consensus does appear to be emerging around a definition that has two dimensions: first, one that incorporates the whole production chain of cultural goods, from creation to consumption and re-use, but is defined by final usage; second, one that ranges from the fine arts to popular culture, and, in some versions to tourism, sport, and health (Pratt 1997). Such definitions have been made popular by the UK's Creative Industries Mapping Document (DCMS 2001). A similar approach has been used by numerous nations and cities to help frame policies for "creative industries."

The UK definition derives in large part from that of the Greater London Council (Garnham 2005), which is itself based upon the work by French media and communications (Miege 1987, 1989), a body of work that overlaps with early work on industrial *filières*. Miege's work uses the term "cultural industries" in order to highlight specifically the diversity within the various cultural industries as well as the differences between the cultural industries and other industries. Recent revisions of the UK definition (DCMS 2003), and discussion in United Nations Committee on Trade and Development (UNCTAD) and United Nations Educational, Scientific, and Cultural Organisation (UNESCO) (Burns Owens Partnership, Pratt, and Taylor 2006), have merged the two concepts (cultural industries and creative industries), although for political reasons the term "creative industries" has passed into common usage (Pratt 2005).

Cutting across this policy-driven agenda is an academic one rooted in economic sociology and economic geography. This debate concerns what is now commonly termed the cultural economy. There are two axes of debate about the cultural economy: first, various approaches that explore the cultural dimension of economic action; thus the analysis has been termed a "cultural turn" (Amin and Thrift 2007). Second, those that focus particularly on the cultural industries as an integral part of economic production. Within this second approach—generally termed the "cultural economy"—there are approaches that range from formal economic analysis to the cultural dimension of the production of cultural artefacts (Anheier and Isar 2007).

A theme that cuts across both academic theoretical concerns with the cultural economy is the notion of “culture and development.” The normative usage refers to the cultural context of development, or the relation of an autonomous sphere of culture to national or local identity. This theme has long been a concern of development scholars and policy makers (Sen 2000). In an allied debate, although seldom problematised in the same way, we can point to the relationship between “regeneration and culture” in the developed world. Here too, there is much evidence of an instrumental usage of culture but little awareness or exploration of primary investment in the cultural industries or culture, *per se* (Evans 2001).

The growing economic significance of culture has destabilised this exclusive emphasis upon culture, context, and method of development, e.g., the expansion of cultural production (such as film and particularly music) in the developing world (Barrowclough and Kozul-Wright 2006) and the Trade Related Intellectual Property negotiations of the World Trade Organization (May 2006). In particular, at an international level, there is the question of whether cultural goods should be excluded from “free trade” (the “cultural exception”). The argument is twofold: first, that the historical power of the cultural industries is focused in the U.S. and free trade will lead to a consolidation of this monopoly; second, that the loss of such cultural and symbolic markers would undermine political and social cohesion that constitute nation states. It is in the context of these debates that analyses of their international scope of cultural production and the dispersed production chains gain additional economic, social, and political resonance. Before discussing the particularity of the cultural industries, I examine the concept of the commodity chain.

Value Chains and Commodity Chains

The empirical organisation of economic production that sustains and constitutes the patterns and process of international trade is constantly evolving. As has been widely discussed, in the long run we can see patterns of the extension of modern production and its interweaving with consumption. While the archetypal Fordist production facility is no longer the norm, the dispersed tendrils of multinational enterprises have grown more obvious. Beyond this, the shifts characterised by the post-Fordist model of flexible specialisation have also “gone global.” Thus, we can increasingly see networks that may be (or may not be) linked to transnational corporations but semi-detached from them; a core organisation may subcontract its supplies, switching from one supplier and one locale to another to remain competitive. In the case of the cultural industries, analyses point to the fact that organisationally they have long been characterised by the organisational form of a few core companies, a small number of intermediary medium-size companies, and a multitude of micro-enterprises.

Analytically, we can make some critical distinctions between notions of chain: commodity, value, or production. The notion of a commodity chain focuses more on the organisational field and how it may be rearticulated with value. Commodity chains are defined by the final commodity; however, necessarily they incorporate many other commodities, services, and manufacture. The value chain, for example, as discussed by Porter (1998), is concerned to highlight the link in the chain where profitability is maximised. By

contrast the notion of production chain has been used to develop an organisational analysis of any production activity and to stress the linkage between production and consumption. However, there are also deeper questions here that have been raised by critics of commodity chains that would also buttress production chain formulations. The epistemological assumptions of chains and linkages have been called into question by some (Raikes, Jensen, and Ponte 2000). In particular, critics point to the assumed linearity and teleological aspect of the chain metaphor; instead they suggest more attention to iterative feedback, networks, and webs to better conceptualise the flows.

Commodity chain networks, or complex production chains (which may be more like archipelagos than simple linked chains), have become a common aspect of production. Sometimes the linkages are so complex that few appreciate their extent. For example, the label of origin on a product has merely become a “flag of convenience”: components may originate from many places and in total travel many thousands of miles before being reconciled and transported to final markets. There is also a reversed flow of used and waste products.

Conceiving the process in such a way alerts us to a number of issues about how production is managed or governed under such dispersed and multi-agency systems. Control must be exercised at a physical, as well as organisational, distance. In parallel, there are issues that concern local, and international, attempts to regulate economic activities. Recent concerns by activists about child labour in some apparel production has been emblematic of the complexities of making such processes visible and holding such organisation to account. While governance is increasingly entering the lexicon of GCC, relatively little attention is paid to scale and space.

Researchers have sought to plot the linkages and consider the function and added value at each juncture. GCC researchers, activists, and policy makers have been interested in the possibility of “upgrading” individual links in the chain to modernise or to migrate to a new level of production (Bazan and Navas-Aleman 2001; Blair and Gereffi 2001; Humphrey and Schmitz 2002). As already noted, this interest is not so far removed from a more traditional business strategy concerned with managing value chains. In part the analysis of the linkages and value added is similar. Business strategy is concerned with managing the chain as a whole.

Clusters and Qualities

The core policy agenda for GCC concerns the upgrading of a linkage which it is hoped can be a potential path to the development of a region. However, this external focus overlooks the local patterns of linkages both within and across firms. More generally, this relates to a vast debate about industrial clusters. While there has been much discussion of business clusters, there is little written about the trans-local linkages that intersect with them. Interestingly, it is the researchers working on the cultural industries that pioneered this work. For example, Coe (2001) noted the multi-scalar dimension of such networks; Bathelt, Malmberg, and Maskell (2004) referred to “local buzz and global pipelines”; and Pratt (2006) and Grabher (2002) noted how project-based production processes embed

cultural producers in localities. For all of these authors the nature of embedding networks (local and international)—in local organisation, labour market, and consumption structures—is a key to explaining both the locational form and the organisation of production in the cultural industries.

This work on the embedding of cultural production is not confined to traditional social and economic categories, but it is also concerned with local cultures of production, particularly issues about decisions on the qualities as well as the quantitative characteristics (price) of products and labour. Again, a recent debate in the GCC literature is informative (Daviron and Ponte 2005; Murdoch, Marsden, and Banks 2000). This argument challenges the assumption that qualities are objective and relate to predetermined preferences that are unchanging in context. It is quite apparent that the qualities of coffee are critical in market positioning and success—a point well made by Daviron and Ponte (2005) is that the framing of quality itself can happen at different positions within a production chain.

Of course, such qualities are of prime import in relation to cultural goods, or any goods differentiated by symbolic values (e.g., design). Moreover, in cultural-goods markets, this is not simply an issue of market segmentation and dispersal of demand; in fact, it is quite the opposite. Cultural-goods markets have been referred to as “winner takes all” markets (Caves 2000), and as so, the precise quality has massive significance. It may be that this is an exceptional quality of the cultural industries that sets them apart (in analytical terms). However, many argue that such trends are affecting all sectors (Lash and Urry 1993).

It is clear that a number of subtleties are emerging in commodity chain debates, not least of which apply to quality issues. We have argued that such quality concerns, when coupled with the local organisational forms of the cultural industries, focus attention on the clustering, specificity, and uniqueness of the production process in the cultural economy. In particular, we have suggested that the more traditional concept of commodity chain may be less helpful than organisationally focused production chain analysis. Thus, we take from these debates a positive concern with the “whole production chain”; its articulation in places, as well as the situated nature of labour; and consumption in relation to the cultural industries. In summary, this might cause us to explore the trans-local connections between, within, and across local clusters.

The Theme Articles

The articles in this collection seek to begin their analyses from the general position outlined above. The collection takes the case of cultural commodity chains (or the international production chains of cultural products), explores their particularity, and evaluates the utility of GCC to explain outcomes. The logical extension of this argument, from the perspective of economic exceptionalism, would be that there are both differences within different cultural industries and differences between the cultural industries and other industries.

The first of the contributors to this special issue, Sally Weller, focuses on the beauty, fashion clothing, and fashion media industries. Weller is generally critical of the GCC concept, arguing that its commodity-based and sectoral field of vision is unduly restrictive

and thus obscures critical trans-sectoral associations not grounded in the exchange of commodities. She also stresses the importance of the coordination of knowledge as to what constitutes fashion at any one time and place. This point is also taken up in Dominic Power and Atle Hauge's paper on branding, which highlights the ways in which knowledge networks are represented and encapsulated in brands, and provide a bridge between production and consumption. Susanne Reimer and Deborah Leslie's paper explores the furniture design industry. In their paper they are particularly concerned with issues associated with the spatialisation of commodity chains, discussing in particular the intersection with notions of national identity.

It is clear that understanding cultural production chains is important (Pratt 2004a,b). A critical perspective on the notion of commodity chains is needed more generally; in particular one is needed to address the specificity of cultural production. Moreover, there is a general need to move beyond the impasse in culture versus economy debates. Looking at the cultural industries, it would seem to have great value as the embodiment of a tension between, and resolution of, these conflicting positions. No less significant is that the study of production chains has the possibility of resolving the split within economic and social geographies concerning the primacy of consumption vis-à-vis production. A new conception of the interconnectedness of production and consumption, which the cultural industries seem to exemplify, is worthy of study. Finally, as noted earlier, the particular spatiality and organisation of these processes are also critical. Are they firms, networks, or clusters? Are any of these autonomous or are these networked in a trans-local fashion? If so, what are the consequences? This is an exciting moment to be reengaging with economic geographies not as they "ought to be," but as they are actually practiced.

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