CULTURAL ECONOMY OF THE CITY: A LITERATURE REVIEW

BRETTANY SHANNON

PhD Candidate
University of Southern California
Sol Price School of Public Policy
Abstract

The following paper reviews select literature that delves into the various phenomena comprising the creative milieu’s articulation in the postindustrial city. It comprises four sections, each giving us insight into how and why art’s fit in the city is so natural, supported, and supportive. In this paper, I examine these various strands of research on art’s peculiar social and economic proceedings within the urban milieu. What themes emerge in this literature? What are the proposed implications for cities and development? What of the tensions? The short answer: “myriad and in flux.” The bulk of this paper refers to the literature to substantiate this response and concludes with questions that predictably emerge from such an inquest.

Keywords: urban studies, creative economy, cultural capital, social networks, knowledge economy, distinctiveness, literature review.
Introduction

Bands, actors, filmmakers, those are obvious. Artists, too, whether they work as part of a collective or alone. Even writers must at some point step outside their confined creative spaces and interact with others to promote their work to a wider audience. Whatever their art form, creative producers inhabit a necessarily and profoundly social domain, the organization of which corresponds with society at large (Becker 1984). This analogous relationship is truer still in the postindustrial economy (Zukin, 1989, 1995). We, the beneficiaries of the communications revolution, are more educated than ever before. We may read less, but our diminished reading is braced by an expanding semiotic literacy, itself fundamental in assuring international communications where words alone might fail (Thornton, 2009).

Likewise, the creative product is a mainstay of the contemporary economy. Geographer Allen Scott (1997) explains the postfordist cultural product economy affirms the supply side’s differentiation marketing strategy and the demand side’s fad-driven consumption. What is more, the “intertwined effects of capitalist production processes and the ever-increasing cultural content of outputs” (1997, p. 325) will be complex and far ranging, wherein “geographically differentiated international cultural production nodes [of small and medium sizes] are liable to be the rule rather than the exception” (Scott, 1997, p. 335).

These social and economic processes occur in the city. Becker’s art worlds are densely operating social networks of creative agents who, by and large, live in major metropolises, bestowing upon their surroundings creative reputations (Becker, 1984) all their own (Molotch, 1996), thickened and reinforced through discrete social operations (Molotch, 1996; Currid, 2007a, 2007b). Places, just as consumable products, become branded, valued for their cultural amenities and perceived singularities (Lloyd 2002; Markusen 2004). Cultivating urban “distinctiveness” (Markusen, 2004; Markusen & Schrock, 2006) has become a central focus of city administrations in recent years. Intent on luring high-skilled workers and moneyed tourists, city administrators have privileged the expansion of urban amenities and opportunities for cultural consumption (Zukin, 1995). Indeed, artistic city—even hinterland as in the case of MASS MoCA—schemes abound (Zukin, 1995), all hoping to capture this formidable creative city economic tide.

The following paper reviews select literature that delves into the various phenomena comprising the creative milieu’s articulation in the postindustrial city. It comprises four sections, each giving us insight into how and why art’s fit in the city is so natural, supported, and supportive. Cultural economy scholars study art’s multiple functions in the city and in doing so, their work attends to, either directly or indirectly, the interplay between both the production and consumption of culture and goods in the city. In this paper, I examine these various strands of research on art’s peculiar social and economic proceedings within the urban milieu. What themes emerge in this literature? What are the proposed implications for cities and development? What of the tensions? The short answer: “myriad and in flux.” The bulk of this paper refers to the literature to substantiate this response and concludes with questions that predictably emerge from such an inquest.
Art: the Manifestation of the Social

Art is certainly social (Becker, 1976, 1984), but the reasons for its creation often transcend the “merely” communal. Becker (1984) explains one creates for the love of art, Caves (2003) calls it “art for art’s sake.” Similarly, Bourdieu (1985a) claims that artists engage in “restricted production,” making art only for a select and knowledgeable few, by doing so expressing indifference to popular approval. For many in the art world, art is an “alternative religion for atheists” (Thornton, 2009).

Of course, social standing and monetary reward are also key motivators. Bourdieu (1985b) perceives the social world as multi-dimensional and “organized according to the logic of difference, differential, deviation…distinction” (p. 203). It is distinction that conveys symbolic capital, the “symbolic transfigurations of de facto differences and…ranks, orders, grades, and all other symbolic hierarchies” (p. 204). DiMaggio (1987) and Lloyd (2004, 2005), who calls it “subcultural capital,” concur with Bourdieu, whose writings assert cultural capital positively affects one’s position in the social field, and thus access to the other forms of capital, economic and social, in the process (Bourdieu, 1985b, 1986, 1989). Other times, simply the almighty dollar and fame prevail (Lachmann, 1988; Throsby, 1994). In his “Graffiti as career and ideology,” Lachmann concludes, “we must amend [Becker’s] insight by recognizing that…social actors…must reconcile what they learn and do in their individual careers with their broader experiences and observations, or, in the language of Marxist cultural theory, with the hegemonic culture” (1988, p. 249).

Whatever their incentives, artists use social networks to produce their art (Becker, 1976, 1984). Requiring flexible cooperation among many different groups at varying times (Becker, 1984; Caves, 2003), artists advantage themselves and their work through full integration into the social milieu. Critically, the intense social life of creative producers is not spillover or a byproduct but the operating system by which art is conceived, produced, and circulated (Currid, 2007a; Lloyd, 2002; Molotch, 1996). Artists’ social networks, and so their ability to work, thrive or languish on reputation and ad hoc transactions (Becker, 1984; Currid, 2009). A cultural producer is just one actor in a diverse set of agents performing in concert, contributing inputs at particular locations and in a set order, to create a final piece, (Becker, 1984; Caves, 2003; Scott, 1997). Proximity is the watchword here and “being there” matters in material ways (Currid, 2007b). It is the density that enables the art world mechanics to function. Thus, in contradistinction to the postmodern urban theory of the decentralized city, arts and culture production agglomerates, working best when densest (Currid, 2009; Lloyd, 2005).

This is not to suggest some sort of creative, anarchic utopia, unfettered from classes and laws. Hierarchy and convention reign, undergirding these otherwise flexible processes. To wit, the art world expresses its own hierarchical taxonomy—social yes, but not necessarily egalitarian, democratic, or even that indicative of gender equality (Thornton, 2009). An individual’s social capital and position within the art world’s symbolic system is integral to her identification (Bourdieu, 1985b, 1986, 1989; DiMaggio, 1987). Not only does her location in the social field determine her impact on the art world, but how she classifies further categorizes her (Bourdieu, 1989). Becker (1976, 1984) elucidates this principle when, in describing the four types of artists—the integrated professional, maverick, naïve artist, and folk artist, he makes
clear that they do not all exert the same authority in all art worlds. Convention also is essential, existing in and through all dimensions of art production, from creative (Adorno, 1991) to business (Caves, 2003; Throsby, 1994), to administrative (Frey, 1999). Breaks with convention can be either triumphal or devastating, as we learn from Becker’s maverick artists (1976, 1984), because “nobody knows” (Caves, 2003) if and what art will succeed in the marketplace.

Social processes effectuate creative production and, in turn, the cultural product reflects volumes about its fostering (or censoring) society (DiMaggio, 1989; Frey, 1999). DiMaggio (1987) proposes a modified framework, suggesting a societal level study of artistic classification systems (ACSs; e.g. differentiation, hierarchy, universality, and boundary strength) provides insights into a society’s menus of production, drivers of demand, and capacity for innovations within the milieu. Importantly, each society conveys each of the dimensions of ACSs differently, communicating its peculiar cognitive and organizational aspects.

State sponsorship of the arts, therefore, can be interpreted for institutional agenda (DiMaggio, 1987; Frey, 1999; Throsby, 1994). Throsby (1994) construes state support of the arts as positive and normative. Frey (1999) challenges, however, asserting the unified arts policy has been too hastily lionized. Taking a political economy approach, he suggests a state’s structure will insinuate a probable artistic environment. For example, while authoritarian regimes more strictly delimit the types of arts patronized than do democracies, they encompass greater variances in the caliber of art produced. Moreover, even the most democratic state support can “crowd out” innovation if the support “is contingent on a particular performance” (p. 79). DiMaggio (1987), considering only capitalist states, sees three different mediating systems of production, the professional, administrative, and commercial. Echoing Frey, he views government regulation as “variable in its consequences” (p. 450). The commercial producer, meanwhile, will proffer “more weakly framed genres” (p. 449) in efforts to reap the greatest profits. Adorno (1991) views the cultural industry as bleak testament to a degradation of democracy. In “Culture Industry Reconsidered,” Adorno argues that culture has become commodified “through and through” (p. 100) and that the cultural industry (and its affiliated professionalization) “impedes the development of autonomous, independent individuals.... preconditions for a democratic society” (p. 106).

The Professionalization of Art: Its Makers and Tastemakers

If art’s apparent social packishness is professional collaboration with an eye toward economic gain, nearly or fully realized (Currid, 2007a, 2007b), and “nobody knows” what art will thrive in the marketplace (Caves, 2003), how and to what extent are art’s social processes codified? First, to minimize uncertainty’s concomitant risks, actors in the creative industries cooperate to share ideas, resources, and the risks themselves (Caves, 2003). The resultant professional processes tend to be unique, with asymmetrical relations built into the art-making contracts, each appropriate to and indicative of each mode’s idiosyncrasies and associated instability (Caves, 2003). The next section elaborates on the “knowledge worker” (Drucker, 1993), but two socio-professional benefits to producers are “peer reviews” and “flexible career paths” (Currid, 2007b).
Further, it is social approbation from within the arts community that legitimizes an artist’s success (Adorno, 1967). If we concede “nobody knows” and that producers share resources and risks alike to mitigate pitfalls, it is sheer fancy to propose a steadfast, meritocratic regime adjudicates artistic worth. In truth, “good” art is linked not to talent (Currid, 2007a, Throsby, 1999); rather social network-conveyed *taste* itself drives ordination of quality (Becker, 1984; Bourdieu, 1985b).

Taste is the paradigmatic example of Bourdieu’s symbolic power. Having it is “power of consecration or revelation” and thus “political power *par excellence*” (1989, p. 23). DiMaggio joins, calling *taste* socially significant as “a form of ritual identification” (1987, p. 443). Not only does it help establish social networks and attainment of desirable personal connections, it equates to “common cultural currency” (p. 443). Recognized traffickers in and of taste in the art world—“aestheticians” (Becker, 1984), “tastemakers” (Molotch, 1996; Thompson, 2008), “gatekeepers” (Currid, 2007a, 2007b, 2009)—wield tremendous power, providing discriminating edges to the creative industries’ otherwise amorphous consumption trends. Tastemakers contribute to consensus through critical assessment (Thornton, 2009), in doing so confer valorization and economic “distinction” (Bourdieu, 1985b, 1989; Currid, 2009; DiMaggio, 1987; Markusen & Schrock, 2006).

The tastemaker’s preeminence is not without its critics. For one, gatekeepers establish a cultural product’s worth as much in response to the industry’s protectionist practices (Thompson, 2008) as to peer-determined reputation (Becker, 1984). For another, tastemakers will use their sway over the art world to reaffirm their own cultural capital (Thompson, 2008; Thornton, 2009), gain economic capital (Thompson, 2008), or secure power writ large (Adorno, 1991; Bourdieu, 1985b). Adorno (1967) thinks tastemakers herald something much worse, the dissolution of integrity in art. “The materialistic transparency of culture has not made it more honest, only more vulgar” (p. 34). The task of the cultural critic should not be the assignation of cultural phenomena to particular groups but to “decipher the general social tendencies which are expressed in these phenomena…. Cultural criticism must become social physiognomy” (p. 30). Instead, by rejecting “immanent criticism,” the critic assumes the unfortunate mantle of “bourgeois artist.”

There are non-tastemaker censures leveled, as well. Currid identifies a precise set of maladaptive responses to the art world’s overemphasis on socialization: corruption in the approbation and promotion process, skewed expectations of success subsequent to media presence, a too-close link between creativity and commerce, and a growing demand for advanced degrees among artists (Currid, 2007b). More generally, Adorno (1991) and Frey (1999) caution against the loss of creativity and innovation, a shrewd warning given in Thompson’s (2008) and Thornton’s (2009) respective art fair reportage that document the quick and exceedingly lucrative sale of simulacra of artists’ better works.

**Artists and their Part in the City: Arts, Place, Branding, and Economic Development**

So who are these artists, these agents of urban transformation? As producers they are educated, highly skilled human capital, knowledge workers (Throsby, 1994; Zukin, 1989). Their specialized, productive flexibility demonstrates a near-perfect fit in the postindustrial economy’s

Artists are also voracious consumers (Markusen, 2004; Markusen & Schrock, 2006), devouring social places, too (Currid, 2007a). Since they must agglomerate, creative producers converge on places with culture already linked with them, “branded symbolically” (Currid, 2009). The consequent “scene” constitutes creative industries’ operations (Currid, 2007b). Cultural producers’ favored bars, clubs, cafes, galleries alike are Oldenburg’s “Third Places” (Lloyd, 2004, 2005), hot spots for social networking within creative industry subcultures and, critically, exchange of cultural ideas and goods (Currid, 2007a, 2007b). These “Third Places” matter. Successful, established locales reinforce their own “stickiness,” overriding such conventional concerns as escalating rents in location decision-making—the value of impromptu meetings simply rates higher (Molotch & Treskon, 2009). Conversely, as Lachmann (1988) observed in his ethnographic study of graffiti artists, writers’ corners had encouraged muralists’ creative exchange. However, absent those fora, muralists’ cultural interchanges ceased to exist.

This “scene,” then, has individual, urban, and regional ramifications. The symbiotic relations between places and culture cannot be overstated. Concentrations of cultural producers act as unique signifiers, imbuing cities and neighborhoods with their own “distinction” (Bourdieu, 1985b, 1989; Markusen, 2004; Markusen & Schrock, 2006). This “distinctiveness” is growing in importance for cultural laborers and for their post-industrial cities (Markusen, 2004), the former demanding it of their neighborhoods and reinforcing the latter’s cultural capital in the process. While work is not the sole determining factor in artist migration (Markusen & Schrock, 2006), access to these requisite things—flexible labor pools, potential employers and gatekeepers, and instantaneous, ad hoc transactions (Currid, 2009)—again all point to agglomeration’s indomitability. Lloyd (2004, 2005) reasons clustering occurs because of both symbolic supports and material benefits. Production and consumption are inextricably linked—the results of which are often ambiguous.

Sharon Zukin (1989, 1995, 2011) has made a career of elucidating such symbolic valorization of place at the urban scale, for better and (to her view) worse. Loft Living (1989) tells the story of SoHo’s stunningly rapid “loft lifestyle”-borne gentrification, triggered by the democratization of art, the “domestication” of the industrial aesthetic (p. 71) (itself counterpart to the demise of the manufacturing economy), and a cultural fascination with artists, namely, that their lives are enviable and worth replicating. The Culture of Cities (1995) is a full book of essays explicating the symbolic economy, but “Remembering Walter Benjamin” is an especially poignant exploration into and affirmation of how “shopping streets lead us toward a material analysis of cultural forms” (p. 254), linked not just to globalization but to immigration, recession, and the continual adaptation and reuse of the environment for retail shopping. Her 2011 article, “Reconstructing the authenticity of place,” contends that place branding is a powerful rhetoric cum growth strategy, wherein vested, legislation-wielding newcomers articulate zoning and other
laws to ban traditional income engines in favor of making areas more attractive to others like themselves.

Concentrations of artists and their activities underpin all of these dynamics. Since an artist is technically “footloose” (Markusen 2004, p. 18), her decision to stay in one place contributes to a socially distinct place’s economic stability and establishes it as an amenity-rich locale. Culture and place share a robust reflexive branding relation, and urban economic (re)development efforts do recognize the commodification of culture and estimation of place. Hence the pro-artist initiatives aimed at expanding an area’s amenity offerings and overall allure for tourist and resident consumption (Markusen & Schrock, 2006). The urban upshot: the transformations of entire neighborhoods and cities (Zukin, 1989, 1995) by artists, the unwitting “shock troops of gentrification” (Deutsche, 1998).

While artists’ developmental effects are anecdotally and qualitatively observed, conventional, quantitative datasets persist in being elusive academic quarry. Markusen & Schrock (2006) explain artists’ contributions to local economies remain underestimated because current methodologies ignore artists’ improvements to local manufacturing facilities; cross-fertilization with other sectors and artistic practices; and import-substitution, the practice of spending “on [homegrown] performances and artwork rather than spending at shopping malls full of imports” (p. 1662). Artists "heavily patronize other artists' work and as so much of this work is labor-intensive, the multiplier effect of local arts consumption may be higher than expected" (p. 1662). Thus their “artistic dividend” (Markusen & Schrock, 2006) is manifest in two forms, first as current income streams within the market and second as "returns to the region as a whole on past investments" (p. 1662).

The Production of Culture, the Post-Industrial Way

That these socioeconomic transactions occur in the city has far-reaching implications for the artists, their cities, and the global economies to which they contribute so much (Markusen, 2004; Zukin, 1989, 1995). Artists not only produce developmental effects in the places they live and work, but they also produce tangible goods and services. Cultural-products industries research makes clear how commodification of arts is meaningfully more important in the post-industrial economy.

Just as creative producers cluster locally and anoint their bases of operation with distinction, so too do creative industries agglomerate at the regional scale (Scott, 1997, 2004). The collateral regional economy’s exported cultural products demonstrate a discernable bump in worth just by being from that region (Molotch, 1996). The potency of art’s commodification on the global market bears and is borne of regional fruit: local goods are produced for export (Lloyd, 2004; Molotch, 1996) and immigrant cultural producers produce for local consumption (Zukin, 1995).

In “L.A. as Design Product: How Art Works in a Regional Economy,” Harvey Molotch (1996) explores how places acquire symbolic value. Los Angeles’ mythic playfulness, optimism, topography, and weather have all been brought to pioneering bear in the film, tourism, apparel, architecture and design, and automobile industries. These industries stay here, says Molotch,
because there is inherent and irreplaceable value in their psychogeographical association with L.A. He revisits the topic in “Place in product” (2002); noting tourists, grasping a strong brand identity with a place, visit expressly to consume its famed amenities.

Allen Scott (2004) believes that since placing cultural-products industries at the center of economic development practices is now de rigueur, we can reasonably expect more clustering at the regional and global levels. Today cultural economy industries are bound together by these phenomena: their focus on aesthetic and semiotic content creation; their consumers’ incremental investment in cultural-products as disposable incomes expand; and their incontrovertible encouragement of local agglomeration for production. He sees a future with creative industries working better as they agglomerate and hypothesizes an increasingly “polycentric and polyphonic global audiovisual production system” (p. 475). This suggests an industry of primary nodes and splintered-off secondary clusters (Scott, 1997, 2004), a condition we already see at the urban level as second-tier American cities successfully distinguish themselves within the cultural cities geography (Markusen, 2004).

Conclusions, Lingering Tensions, and Emergent Questions

Arts in the city can be many things: consumable amenities, branding mechanisms, tourist attractions; and tools of (re)development (Currid, 2009). The views of culture as an economic driver are likewise multivalent. Lloyd (2005) observes tension, wondering if art is not the “MacGuffin for contemporary postindustrial economic activities” (p. 244). Legion others (Currid, 2010) see art’s categorical economic benefits of jobs, sundry multiplier effects, and overarching economic stability in times of recession. Others still see exploitation both of art itself (Adorno, 1991) and its creative producers (Smith, 2008; Zukin, 1989, 1995). Immigrants’ cultural-products may be consumed locally but not at the expense of rigid ethnic and social divisions of labor (Zukin, 1995). Gentrification is an especially fraught point. Artists may increase the value of a neighborhood, but lacking investor agency, they still lose in the gentrification process, thus exemplifying the paradoxical roles of motivators for and victims of residential gentrification (Zukin, 1989).

And just how do we feel about our changing neighborhoods and the search for “distinctiveness” (Bourdieu, 1985b; Markusen, 2004)? Is authenticity lost (Adorno, 1991) or was it fabricated from the start (Zukin, 1989, 1995, 2011)? Does it matter? Lloyd’s (2004, 2005) discovery that newest residents are those that most severely suffer from “imperialist nostalgia,” bawling loudest the woeful lament of a neighborhood’s lost charm and distinction, is instructive. It reaches beyond the already controversial dialectic between authenticity and fabrication, and begs the larger question, what do we mean when we say “authentic,” anyway? In all seriousness, what does it even mean? Ask a panel of five different people, say an architect, an artist, an economist, a planner, and a politician, and you will receive five wildly different definitions. Ask sets of five of each of the represented professions and you will find ever more contrasting opinions. Striking in all of this literature is the evidence that emotional, social, and aesthetic connections, not rational communication, are the lifeblood of social, creative, and economic processes. This may seem straightforward, but consider the manifold presumptive meanings of “authentic” and its deeply perspectival origins—the notion of the authentic city is pure fabrication from the start.
Finally, the cultural economy research needs to consider the communications revolution’s incontrovertible effect on the arts. Certainly some of this research predates the Internet, but Caves’ (2003) and Throsby’s (1994) assumptions about the inelastic costs of production are less tenable in the digitized world. Becker’s (1976, 1984) naïve artist is gaining traction, claiming ever greater a stake in the creative economy. Henry Jenkins (2006) de-professionalized “participatory culture” describes a “culture in which fans and other consumers are invited to actively participate in the creation and circulation of new content (p. 331). He celebrates the Internet as a meeting ground for an array of grassroots communities. It is a media archive for “amateur creators” (p. 275) and is itself spreadable media, thus a vehicle for agency and change. To the extent that we affirm we exist in a world wherein the built and the virtual realms reverberate meaningfully in the other, so must our research track these reverberations.

Whatever one’s emotional take and however research proceeds, the essential takeaway is a dedication to understanding more about arts and culture’s social and economic transactions as they take place in the city—because they do impact the city. As Harvey Molotch (1996) says, “The mistake is always to bracket art from production, and to think of the artistic, whether in material form or human, as defining the opposite of the practical” (p. 264).
References


