

# Capitalism, cities, and the production of symbolic forms

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A striking characteristic of contemporary capitalism is the increasing importance (in terms of growth, employment, revenue, etc.) of sectors whose outputs are imbued with significant cultural or symbolic content. Sectors of these sorts are predominantly, though not exclusively, located in large cities. I describe how these cities function as creative fields generating streams of both cultural and technological innovations. Post-Fordist cities are shown to be especially fertile terrains of commodified cultural production. A number of these cities have become major centres of image-producing industries such as film, music recording, or fashion clothing, and this phenomenon is also often associated with profound transformations of their physical landscapes. I argue that the economic foundations of these trends reside, in part, in the structural characteristics of image-producing industries, marked as they frequently are by modularized, network structures of production and a strong proclivity to geographic agglomeration. At the same time, the main centres of the contemporary cultural economy are caught up in insistent processes of globalization. I suggest that after an initial phase of product standardization and concentrated development in only a few major centres, the cultural economy of capitalism now appears to be entering a new phase marked by increasingly high levels of product differentiation and polycentric production sites. I also submit that the contemporary cultural economy of capitalism constitutes a historical shift beyond consumer society as such.

**key words** creative field consumer society cultural economy globalization urbanization

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revised manuscript received 25 September 2000

## Introduction

One of the defining features of contemporary capitalist society is the conspicuous convergence that is occurring between the domain of the economic on the one hand and the domain of the cultural on the other. Vast segments of the output of the modern economy are inscribed with significant cultural content, while culture itself is increasingly being supplied in the form of commodified goods and services. Of late years, social scientists from many

different fields have pointed out that the economic is irretrievably embedded in the cultural, and several geographers have responded to this insight by calling for a vigorous cultural geography of economic practices (cf Peet 1997; Thrift 1994). In view of the steady absorption of cultural production into the economy, it is equally imperative that we now also set about the tasks of constructing a thorough-going economic geography of cultural forms (cf Scott 2000). Indeed, these two analytical moments are in principle all but indistinguishable

from one another in the context of advanced capitalist society, given that the supply and demand sides alike are permeated throughout by high levels of cognitive and expressive content which functions both as an input to production and as a critical component of final output.

I propose in the present paper to examine one important facet of this complex grid of relations, namely the urban conditions underlying the production of commodified symbolic forms. I use the term 'commodified' in the usual (Marxian) sense to designate goods and services that are produced by capitalist firms for a profit under conditions of market exchange; and I mean by 'symbolic forms' goods and services that have some significant emotional or intellectual (ie aesthetic or semiotic) content. I will now and then use the expression 'cultural products' as a synonym for the latter term, though 'symbolic forms' seems preferable (despite its prior appropriation by Cassirer (1963) for more complex philosophical purposes) given the host of ambiguities associated with the notion of 'culture' (Williams 1976). In my sense, then, commodified symbolic forms are products of capitalist enterprise that cater to demands for goods and services that serve as instruments of entertainment, communication, self-cultivation (however conceived), ornamentation, social positionality, and so on, and they exist in both 'pure' distillations, as exemplified by film or music, or in combination with more utilitarian functions, as exemplified by furniture or clothing. In fact, a clear distinction between symbolic and utilitarian functions in many if not most of the products of the contemporary economy is rarely feasible, and we can usually only speak of their degree of co-presence in any given commodity. That said, the ratio of the symbolic to the utilitarian appears to be rapidly rising in the output structure of modern capitalism (Lash and Urry 1994), and many of the sectors that are most insistently focussed on the production of symbolic forms are currently moving into important positions on the frontier of capitalist economic expansion.

In geographic terms, firms in these sectors are mainly concentrated in large cities scattered across the world, and from these bases they are increasingly engaged in the contestation of domestic and non-domestic markets. As we shall see in some detail, large cities help to endow these firms with advantageous conditions of cultural creativity, productive efficiency, and competitive advantage.

I shall now develop an argument that purports to demonstrate (a) how large cities function as creative fields for both cultural and economic production, (b) how the shifting relations between culture and economy have worked themselves out under conditions of capitalist urbanization over the nineteenth and twentieth centuries, (c) how the contemporary post-Fordist metropolis is coming to be the site of a peculiar reintegration of cultural and economic life, (d) how globalization appears to be leading in the direction not of cultural uniformity but of a new kind of plurality, and (e) how all of this seems to herald a shift from classical consumer society to an alternative cultural economy of capitalism.

### *The city as a creative field*

By definition, cities represent dense agglomerations of social life. They are places that emerge out of a need for proximity when large numbers of individuals are caught up certain kinds of mutually interdependent activities. Cities are thus localities marked by intricate webs of human relationships and interchange, leading in turn to their tendency continually to engender multiplicity, flux, and unexpected events or experiences.

As Hall (1998) has argued in *Cities in Civilization*, these features appear to represent one of the conditions underlying the rise of particular cities at particular moments in time to high levels of creative energy, no matter whether it be in cultural or economic affairs. On the cultural side, we might exemplify this connection between cities and creativity by reference to cases like Paris in the 1880s when impressionism was in full flower, or Vienna at the turn of the century when Berg, Schönberg, and Webern were developing 'atonal' music, or Manhattan in the 1950s when the abstract expressionist school of painters like de Kooning, Motherwell, Pollock, Rothko, and others, was at its most creative (cf Lévy 1999). On the economic side, an analogous kind of flowering may be noted in the cases of mid-nineteenth-century Lancashire with its unusually high levels of invention in the field of cotton textile machinery, or Southern California in the 1920s and 1930s where a burgeoning aircraft industry suddenly began to generate numerous path-breaking technological innovations, or Silicon Valley today with its unrivalled capacity to push forward the frontiers of computer and information technology development.

What is remarkable about these cases – as I shall argue – is that they can be conceptually recoded in terms of interactive network structures whose roots penetrate deeply into urban agglomerations. We should also note that the innovations most characteristic of each agglomeration tend to be generically interrelated. In today's cultural economy, cities such as New York, Los Angeles, London, Paris, Milan, or Tokyo, display a remarkable capacity to maintain constant streams of new outputs in their established lines of specialization (whether it be in film, musical recording, publishing, fashion, or whatever), and to innovate in the basic technologies and marketing methods on which their economic performance depends. Later, I shall provide a theoretical outline of how and why cities like these come to operate as major poles of the cultural economy. For the present, and as a preliminary to this attempt, I shall review some of the principal factors that make it possible for large cities to function as foci of creativity and innovation, ie as creative fields (Scott 1999a). Three main points may be made.

First, cities are always at least in part constituted as communities of workers who gain their livelihoods in local trades or industries. For reasons that need not detain us here, different trades and industries are rarely spread out at random across all cities, but usually show strong signs of functional specialization from city to city. This means that communities of workers will tend to be similarly specialized. Consequently, each individual community will almost always function as a repository of particular kinds of know-how, skills, and sensibilities, and workers – up to a point – will have special competencies or instinct-like capacities in knowing how to proceed in resolving both routine and non-routine work-related problems (cf Bourdieu 1980). Communities like these invariably act as magnets for individuals from other areas, especially for capable and aspiring neophytes who recognize that personal and professional fulfillment in their chosen line of work can best be attained by migration to a centre where that sort of work is well developed and highly valued (Menger 1993; Montgomery and Robinson 1993). Thus, visual artists are attracted in droves from all parts of the world to Paris and New York, aspiring scriptwriters and film actors to Hollywood, and ambitious software engineers to Silicon Valley. In this manner, new talent is imported into

particular agglomerations from outside, and local production capacities are continually refreshed.

Second, the rapid, ever-changing circulation of information through the social and economic networks of the city, and the intensity and variety of human contact, ensure that there is an ever-present tendency to destabilization of prevailing norms and practices and a certain propensity for new insights and new ways of proceeding to arise. This process is magnified where divisions of labour in cultural or economic production are strongly in evidence; that is, where many specialized but complementary individuals and organizations come together in constant interchange, thus forming functional as well as spatial clusters of interrelated activities. Even in purely artistic communities the division of labour often plays a major role in shaping the concrete artifacts brought into being by creative action, as White and White (1965) have shown in their study of the emergence of French impressionism out of the complex interactions between painters, gallery owners, journalists, art critics, patrons, and others in late nineteenth century Paris (Becker 1982).

Third, cities represent collectivities of human activity and interests that continually create streams of public goods – both as a matter of conscious policy and as purely unintended outcomes of social and economic interaction – that sustain the workings of the creative field. An illustration can be found in the traditions and conventions that ordinarily inhere within any community of workers, or in the socialization dynamics which ensure that local knowledge is preserved and transmitted from one generation to the next (within the family, within specific social groups, and within the urban community at large). Another case can be found in the physical and institutional infrastructures with which communities equip themselves in order to protect their own livelihood and future. For example, local public authorities frequently set up schools, colleges, and training centres to prepare workers for skilled and specialized employment in the community. Private-public partnerships represent another means of sustaining community-wide infrastructures, as illustrated by the many regions that have sought to become vibrant foci of high-technology or craft industries by means of private-public schemes to promote local technology- or design-innovation centres (Bianchi 1992).

Activation of these mutually-reinforcing synergies at the core of the urban creative field is often most vigorous where any given regional cohort of producers maintains a strong spirit of experimentation and/or competitive rivalry, especially where producers are caught up in a dynamic of expanding but discriminating demand for their outputs. Of course, the structural characteristics of large cities do not always favour a continual flow of new cultural/economic methods, products, styles, and so on, and cases of stagnation or lock-in to routine production configurations are all too numerous to ignore. Stagnation or lock-in of this sort seems to occur particularly when supply and demand conditions stabilize over long periods of time and when producers become risk averse, as was evidently the case in many of the old French industrial districts in the first half of the present century (Scott 2000). Hence, if and when new producers in other locations begin to contest markets, more traditional centres are often quite unable to mount an effective competitive response. Scores of the traditional French districts simply collapsed when faced with competition from cheaper Asian producers after the Second World War. Nevertheless, particular places sometimes acquire durable reputations for the distinctiveness and quality of their products, so that only *those* places can be sources of the authentic or real thing, while imitations or alternatives from elsewhere are necessarily in some sense doomed to appear as imperfect substitutes, (Molotch 1996). Even when all the creative and innovative energies of a given production centre are exhausted, this competitive advantage may enable it to survive, sometimes over considerable periods of time. Among the many illustrative cases of this phenomenon are certain long-established European centres of china and pottery production, such as Etruria (Wedgwood), Meissen, or Limoges, whose products have attained a sort of iconic status.

### **Aesthetics, accumulation, and urbanization**

From its very historical beginnings in the seventeenth and eighteenth centuries, capitalism, and the commercial values that go with it, have been widely perceived as being fundamentally antithetical to artistic and aesthetic interests. This incompatibility never seemed more complete than in the nineteenth century, when the economic

order was represented by regimented and often dehumanizing forms of industrialization and urbanization, while the aesthetic ideals of the period were enmeshed in otherworldly romanticism. Ruskin's *The Stones of Venice*, published right in the middle of the century functioned as a paean to the past of Gothic crafts and architecture, and as an indictment of the cultural degradation that was becoming ever more apparent in industrial-urban Britain. Indeed, the very different social imperatives to which industrialization on the one hand and aesthetic practice on the other were subject at this time, not only set them in opposition to one another as a matter of principle, but also made it exceedingly difficult for them to co-exist in close geographic proximity. By and large, the life of the proletariat and the factory owners who employed them was bound up with one set of urban conditions, while the life of artists and their most enthusiastic audiences was bound up with another, and these conditions were mutually exclusive more often than not. Of course, the incompatibility between the two sides was never absolute, and in some cities, various sorts of coexistence, if not interdependence, were worked out, as in the case of late nineteenth century Chicago with its industrial and commercial bustle combined with a remarkable proclivity to architectural innovation. In certain metropolitan centres, most notably the Paris of Balzac and Zola, the worlds of industry and culture came directly into collision with one another at selected points of social and spatial intersection. Even so, places like the surging industrial cities of, say, northern England or the German Ruhr on the one hand, and the more traditional historical and cultural centres of Europe on the other, seemed to represent irremediably antithetical universes in this regard.

Over much of the twentieth century, this tension between aesthetics and accumulation continued to leave its mark on urban life and form in the advanced capitalist societies. As mass production moved to centre stage of economic development, urban centres continued to grow and to expand outward in the Mammon quest, while the pursuit of cultural production became, if anything, yet more ghettoized. The metropolitan areas of the American Manufacturing Belt in particular (Detroit, Cleveland, Pittsburgh, etc.) now became to many commentators the archetypes of the utilitarian, philistine city (Lees 1985). Indeed, the mass

production system carried the manufacturing and consumption of standardized commodities, (as well as urban development), to new heights of functional or practical intensity. To begin with, much of the output of the system consisted of consumer goods such as cars, domestic appliances, and processed foods, designed largely to absorb the wages of the burgeoning blue-collar workers who made up the majority of the urban populace. In addition, the system flourished on the basis of competitive cost-cutting, and hence (given its machinery-intensive structure), of the search for internal economies of scale in production and the consequent routinization of manufacturing methods. The system was thus endemically committed to the production of undifferentiated and desemiotized outputs, leading to the charges of 'eternal sameness' that Frankfurt School critics were soon to level against its effects as it started to make incursions into popular culture (Adorno 1991; Horkheimer and Adorno 1972). The large industrial cities themselves were seen in many quarters as being given over to a syndrome of 'placelessness' that critics like Relph (1976) ascribed to the increasing domination of technical rationality in mass society.

To be sure, Walter Benjamin writing in the mid 1930s had already set forth a series of quite hopeful views about the potentially progressive nature of what he called 'mechanical reproduction' in the arts, and especially in the cinema (cf Benjamin 1986). By the 1940s, however, the core Frankfurt School theorists were expressing grave concern about the direct incursions of mass production methods into cultural-products industries like film, recorded music, and popular magazines. To people like Adorno and Horkheimer, these methods, being driven by capitalistic interests, were aesthetically suspect from the beginning, and they averred that the cultural content of the products to which these methods gave birth were patently manipulative and depoliticizing in practice. It is nowadays fashionable to criticize the Frankfurt School theorists for their alleged *mitteleuropäischen* elitism, though the charge is blunted, perhaps, when their work is re-contextualized within the conjuncture from which they wrote, with its relatively standardized and watered-down forms of commercial popular culture. Where they did err was not so much in the imputation of qualities of meretriciousness and triviality to commodified culture (such qualities are all too evident, then as now) but in their failure to

see that the products of capitalist enterprise might also accommodate other more positive qualities. In one way or another, culture is always produced in the context of definite historical and social conditions that in themselves lie outside the sphere of art but that shape artistic aspirations and practices. Provisionally, then, there is no reason to assert in principle that capitalist firms working for a profit cannot turn out goods and services with inherent aesthetic and semiotic value (or what Clive Bell (1914), in a rather different context, called 'significant form'), just as Greek and Roman artisans or Florentine painters, sculptors, architects, goldsmiths, jewelers, etc., working in relation to the definite political and religious obligations by which they were bound, could still produce masterworks of transhistorical value (cf Cowen 1998). In fact, and even as mass production was moving into high gear, a modernist aesthetic was already trying to come seriously to terms with its driving logic. Thus, as represented perhaps most dramatically by the Bauhaus and the great modernist urban design proposals of architects like Le Corbusier or Oscar Niemeyer various aesthetic programmes were mounted in theory and implemented in actuality in an attempt to give artistic expression to the main thrust of mass-production society (Banham 1960).

An additional matter that the Frankfurt School theorists failed to take into account – and they were not alone in this – was the possibility that the version of capitalism (or the 'regime of accumulation') that they encountered in mid-twentieth century America might one day be succeeded by another. They failed in particular to see that a quite different regime of accumulation, with much more variegated and inflected symbolic forms inscribed in its outputs, would eventually come to dominate late twentieth and early twenty-first century capitalism. This so-called post-Fordist regime (or what Harvey, 1989, calls 'flexible postmodernity') has been gathering steam since the 1970s, bringing with it a strikingly new nexus of economic and cultural outcomes in the advanced capitalist societies. Simultaneously, a sharp intensification of the economic significance and symbolic content of commodified culture has rather clearly been occurring, as well as concomitant transformations in function and form of the main urban areas where this culture is produced. The logic and dynamics of these transformations now merit extended discussion.

## The symbolic economy of the contemporary city

One of the more remarkable attributes of the post-Fordist production system that began to succeed mass production as the leading edge of economic expansion in the advanced capitalist societies after the 1970s, is the rising significance of cultural-products industries in national output and employment (Hall 2000; Pratt 1997; Scott 1996). These industries comprise the media (eg film, television, music, publishing), fashion-intensive consumer goods sectors (eg clothing, furniture, jewelry, and so on), many different types of services, (eg advertising, tourist facilities, or places of entertainment), and a wide assortment of creative professions (eg architecture, graphic arts, or web-page design). We may also include in these industries facilities for collective cultural consumption like museums, art galleries, or libraries, whether privately or publicly controlled.

Industries like these represent substantial (and generally expanding) segments of all advanced capitalist systems. Given the ambiguities of standard industrial classifications, it is extraordinarily difficult to make precise quantitative assessments of the full extent of the new cultural economy, but in one recent study, it was found that in the USA in 1992, just over 3 million workers (2.4 per cent of the total labour force) were employed in 29 cultural-products sectors representing both manufacturing and service activities (Scott 2000). According to Pratt (1997) a little under 1 million workers (4.5 per cent of the total labour force) were employed in cultural industries in Britain in 1991. Both of these sets of figures are almost certainly undercounts. More importantly for present purposes, employment in cultural-products sectors appears to be overwhelmingly located in large cities. Thus, in the USA just over 50 per cent of the 3 million plus workers employed in cultural-products sectors were concentrated in metropolitan areas with populations of 1 million or more, and of this portion, by far the greater majority was actually to be found in just two centres, namely, New York and Los Angeles. Pratt's data show London as accounting for 26.9 per cent of employment in British cultural industries.

These locational proclivities of cultural-products industries can be accounted for by reference to two main groups of factors. First, many cultural-products sectors, irrespective of where their

markets are located, are typified by complex relations on the supply side that induce them to congregate together locationally in great masses within metropolitan areas, often in close proximity to central business districts. Familiar examples of this phenomenon are the motion-picture industry of Hollywood, the media complex of Manhattan, the apparel industry of Paris, or the publishing industry of London. Even when their markets are world-wide these sectors still – and perhaps yet more insistently – seek out agglomerated locations of this type. Second, many kinds of cultural goods and services are relatively immobile in the sense that they must be consumed close to their point of production. Theatres, restaurants, art galleries, concert halls, and so on, supply goods and services of this sort, and they are naturally most densely developed in large metropolitan areas whose populations constitute prime markets for all kinds of symbolic products.

A more complete account of the agglomerative tendencies of cultural-products industries would require considerable time and effort. Fortunately, there is already a large literature on the subject, (eg Becattini 1987; Scott 1988, 2000; Storper and Christopherson 1987), and so only a few further brief descriptive strokes are called for here, with special reference to the organization and employment structure of these industries.

At the outset, note that the production of symbolic forms in modern capitalism is more often than not dependent on large inputs of human manual and intellectual labour, even where digital and information technologies play a major role in the process. Also, markets for final outputs are usually extremely uncertain and competitive. In view of these conditions, which militate against internal economies of scale and vertical integration in production, firms tend to be small in size (though big firms certainly can and do make their appearance, as we shall see) and to be incorporated as modularized elements into wider production networks. These networks are typically constituted as shifting associations of interdependent but specialized activities (ie as social divisions of labour), and by the same token, they are the scenes of dense transactional flows of information, goods, services, and so on. They tend as a consequence to be most efficient when the producers caught up within them are located in close mutual proximity to one another so that the myriad daily interactions out of which they are composed can proceed with

relative dispatch. The same producers share collectively in local labour markets, each one of which may comprise tens or even hundreds of thousands of workers, and this feature helps to accentuate their spatial concentration because (within limits) there are significant economic advantages to be obtained by the agglomeration of interrelated producers close to the centre of a large local labour market. Among these advantages are significant economies of scale associated with job search and recruitment activities. As we have already seen, the entire local system of production, employment, and social life makes up a geographically-structured creative field that under appropriate conditions acts as a fountainhead of learning and innovation effects. Finally, with steady improvement in technologies of long-distance transportation and distribution, producers in any given cluster can sell their outputs on increasingly distant markets, thereby enabling it to grow in size, and, by the same token, to become more deeply differentiated internally through further divisions of labour, hence becoming more closely anchored to a particular place.

Clusters like these are replete – in the language of the economic geographer – with agglomeration economies (ie increasing returns effects), and agglomeration economies in turn give rise – in the language of the business economist – to potent competitive advantages (Porter 1990). More generally, Soja (2000) refers to these kinds of urban synergies by the term *synekism*. This is the increment above the simple sum of the parts that holds any given urban-industrial structure together as a geographic cluster, while enabling the products of the most successful clusters to rise to mastery of national and international markets.

The marked progress of the post-Fordist cultural economy of capitalism over the last couple of decades is evident not only in the expansion of many old and new production agglomerations, but also in significant transformations of the landscapes of portions of selected cities and the revitalization of their symbolic content. In varying degree, these transformations are ascribable to the success of the cultural economy itself as portions of it ramify through the city in the guise of shopping malls, restaurants and cafés, clubs, theatres, galleries, boutiques, and so on (Zukin 1995). Architectural and design trades play an important part in this connection, not only because they are flourishing components of cultural production systems at

large, but also because the urban landscape itself is one of their main outputs (Hutton 2000). Very often, too, the same transformations involve ambitious public efforts of urban rehabilitation in the attempt to enhance local prestige, increase property values, and attract new investments and jobs (Kearns and Philo 1993). When the landscape develops in this manner, whether as a result of public or private initiative, significant portions of the city (though rarely, if ever, all portions) start to function as an ecology of commodified symbolic production and consumption (Urry 1995), in which, and in contrast to the classical industrial metropolis, the functions of leisure and work seem to be converging to some sort of (historically-specific) social equilibrium. Even advertising becomes part of the general spectacle that is one of the important ingredients of this ecology (O'Connor 1991).

In any ecology like this, moreover, there will tend to be powerful and recursively intertwined relations between the meanings that adhere to the urban landscape and the symbologies of the goods and services produced in the local area. Thus, and on the one hand, the symbolic forms (films, television programmes, recorded music, fashion clothing, and so on) produced for different markets invariably draw to some extent on local images, cultural associations, social traditions, and so on. Indeed, this very process is important in authenticating and differentiating these symbolic forms in the minds of the consumer (Molotch 1996). On the other hand, the meanings lodged in the same forms create images of their places of origin, and the same images are often re-assimilated in different ways back into the urban landscape of the producing centre. Where this relation is especially strongly developed – Hollywood is an outstanding example – the ever-growing fund of symbolic assets that comes to be incarnated in the local environment then functions as a source of inputs to new rounds of cultural production and commercialization, leading in turn to further symbolic enrichment of the urban landscape, and so on.

One peculiar version of this sort of urban development can be found in tourist and resort centres, like Las Vegas, the cities of the French Riviera, or parts of central London and Paris. In instances like these, there is an identity of place and production system in the sense that place itself functions at one and the same time as the locale and the outcome of producers' efforts. This same trait also means that

consumers must travel to the point of production in order to partake of the local stock-in-trade. In the typical case, production is organized in flexible networks of specialized service providers (such as hotels, museums, restaurants, theatres, bus and boat operators, rental services, guides, etc.). These networks are usually subject to governance measures whose objective is to prevent deterioration of the complex as a whole by commercial opportunism and free-riding behaviour.

This analysis would not be complete without noting, in addition, that beneath the surface affluence and glitter that generally accompany urban developments of these types, there is almost always a less immediately visible economic and social order as represented by the low-quality jobs on which the actual work of production is so frequently based. Particularly in the large post-Fordist city, there is a seemingly endemic and deepening cleavage between the well-remunerated managers, professionals and technicians who are responsible for the conceptualization and execution of high-performance work tasks, not only in the cultural economy as such, but across the entire set of post-Fordist sectors, and the swelling pools of low-wage, low-skill workers who carry out much of the actual physical labour of the urban production system (Sassen 1991). In many cities, such as New York, Los Angeles, Paris, or London, high proportions of the low-wage, low-skill group consist of illegal immigrants from developing countries, whose political marginality reinforces their economic subordination. The social and economic conditions under which the latter individuals live and work represent the other and less amiable face of the cultural economy of the modern city.

### **Globalization: cultural uniformity or polycentricity?**

The cultural geography of the pre-capitalist landscape can be represented in schematic terms as a mosaic of many different ways of life and forms of symbolic expression. Throughout the history of capitalism there has been a tendency for erosion of this more traditional cultural pattern to occur. At the present time, with globalization proceeding apace, it seems clear that much of what remains of it is doomed to be submerged or absorbed in various ways by the logic of commodity pro-

duction. Notwithstanding this long-run prospect, many non-capitalist cultures display a remarkable resilience to the messages and meanings embodied in commodified symbolic forms imported from outside, and individuals in these cultures are sometimes capable of quite imaginative feats of re-interpretation of these forms (Appadurai 1996; Jackson 1999). However, if such acts of re-interpretation do unquestionably occur with much frequency, they are also probably in some retreat as a significant force of resistance before the rising tide of commodified cultural products that is now sweeping through world markets. The central questions that we need to pose in this context are these: Does the steady opening up of world markets to these products imply a deepening uniformization and massification of patterns of cultural consumption across the globe? Alternatively, is it conceivable that many different and dissimilar centres of cultural production might thrive in the future, thus providing a more varied palette of offerings (even though non-traditional and commodified) that can be selectively consumed by diverse groups of individuals? And a subsidiary question is, can these offerings, even in the presence of variety, be the instruments of anything but mendacious aesthetic and semiotic experiences?

A plausible argument can be made to the effect that there *are* processes at work in today's world whose terminal point (should it ever be reached) is one dominant centre for any given product. The argument here plays on the self-reinforcing effects of agglomeration economies and increasing returns effects in large production centres (Romer 1986; Scott 1998), especially in contexts where competing smaller centres fail to mount viable strategic responses, whether by inaction or miscalculation (eg by inadequate or inappropriate differentiation of products). It is true, of course, that in the absence of corrective action, agglomeration diseconomies will put limits on the growth and competitiveness of any single centre, though urban planners are continually at work to remove the obstacles that periodically threaten the efficient operation of the urban system. The appearance of one dominant centre is all the more predictable in theory where distribution costs to the rest of the world are low, so that in combination with the centre's concentrated efficiency and learning effects, local producers can effectively contest markets across the globe. The worldwide impact in the immediate

post-War decades of popular cultural products fabricated in New York and Los Angeles can probably at least in part be accounted for in terms like these. At the same time, the cultural-products industries of New York and Los Angeles also benefited enormously, as they still do, from the presence of multinational corporations which aggressively pioneered the modern distribution and marketing of commercialized culture on global markets. Network television in the 1950s and 1960s, with its messages tailored to the lowest common denominator, was a classic early case of this phenomenon (Castells 1996). Similarly, American cinematic products today represent a special threat in many different parts of the world given their seemingly invincible competitive force based as it is in the potent agglomeration economies of Hollywood and the unmatched distributive capacities of the US entertainment and media conglomerates (Aksoy and Robins 1992).

This reasoning is limited, however, for the very reason that it does eliminate the effects of alternative competitive strategies, and especially product differentiation, on the part of second or third tier centres. To be sure, when individual agglomerations come into head-on competition with one another, some will stagnate and decline as their outputs become locked out of markets by more efficient and appealing producers. Others, however, will find it possible to evade the worst effects of this competition by focusing on specialized market niches, and this will be notably the case for cultural-products agglomerations that already enjoy some local monopoly of style or expressiveness. It is well to recall in this context that product differentiation is one of the principal bases – if not *the* principal basis – of monopolistic competition as defined by Chamberlin (1933). Not all attempts at product differentiation will succeed, of course, but since – over time and space – there are likely to be many different experiments in this regard, at least a few of them may be expected to prosper, especially where they are also associated with successful efforts to organize wider distribution and marketing networks. Thus, in the case of the international high-fashion industry, which was traditionally dominated by the *grands couturiers* of Paris, important complementary centres now also thrive in New York, London, Milan, Tokyo, and elsewhere, on the basis of their distinctive designers and constantly evolving styles. In the US recorded

music industry, Nashville has attained a subsidiary but durable standing (after New York and Los Angeles) by reason of its highly specialized output (Scott 1999b). In contrast, the French film industry has been facing a severe crisis over the last couple of decades as a consequence of American competition. In this instance, even though the product is highly differentiated, it has failed to evoke a significant response on wider markets, which does not, however, mean that the industry's only chances of survival reside in mimicking American films (just the contrary is the case). The commercial problems of the French film industry have been compounded by its signal failure to build effective foreign distribution and marketing facilities (Scott 2000).

With this more extended argument in sight, a developmental scenario that looks toward an increasing rather than a decreasing number and variety of cultural-products agglomerations across the globe has much to commend it. As it happens, the new transportation and communications technologies now available will undoubtedly increase the likelihood of this scenario emerging into reality. These technologies have two major effects that need to be examined here. First, they tend to reduce if not eliminate economies of scale in mass distribution systems, while by encouraging deepening social divisions of labour in production they often actually intensify the play of agglomeration economies. Second, this then allows even small production centres to contest scattered markets around the globe. A clear presentiment of this scenario can be found in the recorded music business where new internet technologies are making it possible for hitherto quite marginal groups of producers (such as the immigrant Vietnamese musicians of Orange County in California) to tap into extended audiences. The internet also eliminates several layers of intermediary organization between producers and consumers, thus enlarging the discretionary power of the latter, and increasing their ability to command a greater choice of products.

Given the enduring if not augmented significance of agglomeration economies in post-Fordist production systems, it follows that continued reductions of distribution costs are not so much liable to lead to generalized deterritorialization of production as they are to encourage the rise of a wide variety of relatively small clusters interspersed among a more limited number of larger

clusters. In other words, reductions in distribution costs can be expected to enhance economic returns at big centres and to reinforce their lead, but also to lower the threshold of entry for smaller centres which can survive (ie contest markets) where they successfully implement competitive strategies to compensate for their relatively weak agglomeration economies. Their survival can be further assured where policy makers at production locales are able to work out effective systems for the provision of coordination and steering services directed to the amplification of these agglomeration economies (Scott 1996, 1998).

Besides the clusters of locally-owned firms that generally make up the greater part of cultural-products agglomerations, multinational corporations also play an active role, and these corporations actually represent an ever greater force in the production and distribution of cultural products. Many such corporations (above all American media and entertainment giants) have acquired considerable control over certain global product markets, and they can unquestionably be reproached for various kinds of cultural imperialism. However, major multinational corporations with stakes in the cultural economy (some of the largest, for example, being Sony Corp., Vivendi, Disney Co., Daewoo Corp., Time Warner Inc., Bertelsmann AG., L'Oréal SA., Seagram Co., Havas SA., Christian Dior SA., and others) tend to display a surprising variety of national origins. In addition, they are in numerous cases engaged in active diversification, especially by acquisition of affiliated production units in cultural-products agglomerations all over the world, (though there are evidently occasions when this has resulted in deleterious forms of mismatch, either for the firm or the agglomeration, particularly where firms have been less than sensitive to local know-how and conventional practices (Harrison 1994; Negus 1997)). In parallel with this diversification, large corporations with significant symbolic output have shown a proclivity to engage in micro-marketing of their products, as evidenced by industries as varied as musical recording and brewing (Negus 1998; Jones 1999).

There are countervailing signs, then, to suggest that despite an earlier (fordist) corporate trend entailing standardization of outputs, diversification nowadays represents a more viable productive strategy, and this, in many instances, is

probably working to reinforce the incipient geographic differentiation of the global cultural economy described above. Even in the case of cinematic products, the stranglehold of the American media corporations remains by no means unassailable, and it is increasingly coming under attack both from inside and outside the USA as small independents and film-makers in places as far afield as Australia, Britain, China, Hong Kong, India, and elsewhere seek to cultivate alternative market niches. Non-English language films will no doubt be increasingly involved in this competition as new computerized production technologies are further refined, including digital methods for reconfiguring actors' lip movements (Martin 1995).

Four broad generalizations can be drawn from this discussion. First, there was indeed a moment corresponding to the period of internationalization, or what we might call proto-globalization, in the immediate post-War decades, in which American cultural products tended (though never exclusively) to take a lead on world markets. We are by no means yet fully beyond this particular state of affairs (Jameson 1998a). Second, and more recently, cultural-products agglomerations in many different parts of the world have been responding to intensified competition but also to increasing market opportunities by means of specialization and product differentiation strategies, if not always successfully. Third, new transportation and communications technologies will probably encourage a further proliferation of specialized production locales, many of which will be able to survive despite their limited size and limited agglomeration economies because they can effectively supply very specific and highly diffuse market niches. Fourth, new styles of corporate organization and behaviour seem on the whole to be conducive to increasing diversification rather than standardization of outputs. Accordingly, if at one stage in the recent past there seemed to be much evidence, both empirical and theoretical, in favour of the view that cultural production and consumption throughout the world was becoming more uniform, more massified, and more Americanized, there are now indications to suggest that contrary trends are occurring, and that the further intensification of globalization processes may well be associated with a markedly more polycentric and polyphonic system of cultural production than has been the case in the recent past.

## Beyond consumer society? The cultural economy of capitalism

As Fordist mass production was approaching its climacteric in the 1970s, various authors came up with dire prognoses of the course of the crisis and its aftermath. On the left, theorists like [Mandel \(1975\)](#) proclaimed that we were already in a historically late and presumably penultimate stage of capitalist development. On the right, [Bell \(1976\)](#) popularized the influential argument that the increasingly shallow hedonism of consumer society was undermining the practical and moral foundations of capitalist progress. In actuality, capitalism took a historical turn after the 1970s that almost no-one, anywhere, anticipated, even as the first intimations of the change were starting to appear in the late 1970s. This change has involved a decisive shift of capitalism into a new post-Fordist configuration, resulting in significant economic re-structuring on both the supply and demand sides.

In particular, the many different post-Fordist sectors that rose to prominence over the 1980s have unleashed dramatic new rounds of economic development and expansion in world capitalism. On the demand side, there has been a distinct enlargement of the pool of individuals practicing the sort of variegated and discretionary expenditure that in classical consumer society had largely been confined to the tiny minority able to afford luxury goods. Concomitantly, consumption patterns, at least in the advanced capitalist societies, have tended to progress beyond blunt consumerism, in the sense of obsessive preoccupation with quantitative acquisition and self-identification with 'middle class' norms of possession (in terms of a package of housing, cars, domestic appliances, and all the rest) into a series of highly differentiated niches and life-style types, thus encouraging a corresponding intensification and diversification of the symbolic content of final goods and services. Even the symbols of contestatory groups like feminists, gays, or ethnic minorities, have in one way or another been eventually incorporated into this economic logic. In parallel, as analysts like [Castells \(1996\)](#) and [Jameson \(1998b\)](#) have forcefully pointed out, traditional distinctions between high and low culture are steadily being effaced, while the consolidation and spread of capitalism become ever more secure by reason of its new-found command of the instruments of symbolic production in many and varied idioms.

Contemporary culture theorists have invested considerable energy in the effort to understand the social meaning of the symbolic forms now produced in such profusion by capitalist enterprise. However, few social scientists today appear ready to carry forward the torch of the earlier Frankfurt School theorists with their scathing condemnations of commodified culture.<sup>1</sup> Many would even argue that if the symbolic forms produced by capitalist enterprise today are often in practice devalued and degraded, commodification does not always or necessarily result in degenerate cultural expression; indeed, these forms are on occasions at the cutting edge of new artistic movements, and they have been closely associated with various post-modern aesthetic claims (cf [Wollen 1993](#)). This is not the place to pass judgment on contemporary canons of taste. From a purely sociological point of view, we may in some sense cut through the Gordian knot of this puzzle with the observation that capitalism can be regarded as just another historical site of cultural production, though of course it does not produce just any culture. Nowadays, capitalist firms deliver an extraordinarily varied fare of cultural products and experiences in the effort to meet the growing and ever-mutating volume of demand. Nor are consumers merely passive vessels at the receiving end of this process. If, as noted, many different kinds of contestatory groups are brought into the demand structure of the new cultural economy of capitalism, there is also much active conflict over the meanings and images contained in the rising flow of goods and services on offer, leading in turn to a cultural politics that is directly related to, though rarely in fundamental opposition to, the commodification of culture. Where the intensifying cultural politics of post-Fordist capitalist society (including new expressions of nationalism and regionalism) will eventually lead is at this stage an open question. On the basis of the discussion in this paper, we may surmise that there is a greater likelihood of its being conducted from a groundwork of proliferating social-*cum*-cultural fractions, than of its being led by a political avant-garde struggling on behalf of a massified and psychically defenseless consumer society, as envisioned by an alternative and older school of thought.

### A final word

Geography, of course, is fundamental to all of these developments. In the first place, as I have argued,

there are definite locational transformations at work in contemporary capitalism, involving the growth, spread, and mutual competition of cultural-products agglomerations across the globe. In the second place, the expanding world-wide network of cultural-products agglomerations will almost certainly be accompanied by increasing differentiation of outputs as individual centres struggle to mobilize whatever place-specific competitive advantages they may initially possess, and as they build up reputations for particular kinds of product design and forms of semiotic expression. In the third place, if we can envisage the distinct possibility that some producers and/or agglomerations will be able to establish monopoly powers in certain global market segments, there is also a compensating tendency to geographic diversification of productive efforts and socio-spatial fragmentation of demand.

These complex and shifting trends are likely to lead to further assertion of the cultural as an essential component of the outputs of capitalist enterprise, and, by the same token, to the deepening commodification of culture. We cannot, as Jameson (1998b) has argued, expect any negation of the logic of commodity production by virtue of this tendency, but neither should we necessarily expect that it will lead to anything resembling the bleak predictions of an earlier and more pessimistic generation of culture theorists.

### Acknowledgements

I am grateful to Denis Cosgrove, Nicholas Entrikin, and three anonymous referees for their critical comments on an earlier draft of this paper.

### Note

- 1 A noteworthy exception to this remark is Bourdieu, who (notwithstanding his conscientious demystification of the bourgeois cult of art) retains a deep aversion to the incursion of commercial rationality into the sphere of cultural production. See for example, Bourdieu (1979; 1999).

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