

A Review of *Culture, Inc.* – by Herbert I. Schiller

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The rise in corporate controlled information is not a recent trend in the United States. Multinational corporate mergers, creating an information-centric oligopoly, has shaped a system of information centralization and blurred the lines of culture and business. New technologies, changing market dynamics (including new policies of deregulation), and political pressures have aided this corporate environment and allowed for greater privatization of information resources - increasing the gap of information “haves” and “have nots”.

In his book *Culture, Inc.*, Herbert Schiller begins to examine the disproportionate balance of power in regards to information; including its presentation, distribution, and impact as a cultural product. Several issues of importance, as they relate to information as a cultural and public resource, are discussed at length in the book. Impacts of cultural centralization, privatization, and commercialization are the essential ideas behind Schiller’s arguments.

Because of the timeliness of the book, certain ideas are given special treatment in this review. *Culture, Inc.* was published in 1989 and is somewhat dated in certain areas. Therefore, rather than focusing on facts or hypotheses directly interconnected to that time period, this review will focus on ideas that seem to span the decades and still hold truth in the present. For example, Schiller discusses the developing online information sector, primarily for banking and information retrieval services such as Dialog™ and Lexis/Nexis™, without knowing the impact the World Wide Web and the Internet would have on society. It would be presumptuous to assume Schiller would have known of the emergence of an international communications system like the Internet when writing this book.

Schiller begins by examining corporate trends from the end of World War II; specifically the rapid expansion of American enterprise into the international arena. Here, his major purpose is to identify various factors that attributed to the consolidation of commercial power and characterize key variables that shape the system into the current corporate dominated environment:

The consolidation of power of big business was accomplished in a number of ways...the use of anticommunism to control labor as well as divert the general public from the expansionist policy of American business; the adoption of new farm technologies which increased output at the same time as it eliminated a good part of the independent farm population; the influx of a conservative immigrant

stream; the spread of depoliticized living space; and twenty years of relative prosperity...(Schiller, pp. 13-14).

These “social” components allowed for businesses to merge and cross boundaries - growing ever larger and without a suspecting American public. Government policies of the Cold War (e.g. Truman Doctrine, the Taft-Harley Act) also invited corporations to aggressively pursue other markets. So, with the social and market framework of the United States set, and with the support of the government, corporations not only moved abroad but into new cultural markets as well.

Cultural industries, as defined by Schiller, are publishing, press, film, radio, television, photography, recording, advertising, sports, and the “information industry” (Schiller, pp. 30). Schiller continues by describing a subset or “second tier” to the cultural industry:

These [second tier] activities also provide symbolic goods and services...[and] are displayed in relatively permanent installations, instead of being produced serially. Using this measure, museums, art galleries, amusement parks, shopping malls, and corporate “public spaces” also function as cultural industries (Schiller, pp. 30-31).

What is normally assumed as public gathering places can be viewed as spaces where corporations extend their monopolistic controls over the consuming public and reinforce the need of the market to shift from manufactured goods to cultural goods and products. If the general public can be lulled into a sense of product need, through traditional media and second tier attributes and/or places, the process of commercialization is made easier and is met with less resistance due to the absolute immersion of the individual in the corporate culture.

Whatever the unique experiential history of each of the many subgroups in the nation, they are all subject to the rule of market forces and the domination of capital over those market forces. This is the grand common denominator that insures basic inequality in the social order...(Schiller, 153).

Once corporations have secured a created market need for cultural products, they can begin to distort the distinction of what sectors of life are public and what are corporate.

Multinational media mergers are a concern that crosses every decade. The deliberate concentration of media related industries into the hands of a few controlling companies is not only seen as monopolistic, but also as a filter of cultural ideas and expressions. If the media represents the largest segment of our collective cultural expression, then it is truly one of corporate culture – left for the heads of the corporations to dictate “*acceptable*” forms of cultural representations. Also, by allowing corporations to maintain this level of cultural power, the general public becomes passive and willing to accept these controls as social norms. Schiller states:

[T]he presence of giantism and concentrated control in the media and allied cultural fields, though hardly a secret, now seems perfectly reasonable to most Americans – and certainly no cause for anxiety. The extent to which the public has been programmed to accept these conditions in the media, and in the economy overall, is remarkable (Schiller, pp. 40).

What can the public gain from this level of corporate control and what are the real losses by a corporate controlled media? The privatization of the media and the cultural sphere limit the normal level of public discourse and curb the natural order for a participatory democracy. By only having a select few voices dominating the cultural space, ideas and opinions become diluted, distilled, and uniform.

Granted there are independent publishers and other media industries vying for position in the marketplace in between the multinational giants. But these independents are also part of the grander scheme for the media tycoons. Persuaded by market forces, economics, or other factors, many smaller companies and their products are consumed by larger, and frequently omnipotent, corporations.

In allowing small scale and relatively independent activity to continue to exist in cultural work, the big cultural firms insure a constant supply of talent and creativity that might otherwise be ignored or even suffocated in their own bureaucratized, symbol-making factories. The “independents” are continually tapped to replenish exhausted creative energies in the cultural conglomerates. The trick for the later is to keep the creative juices flowing – but inside the channels that reliably lead back to the main conduits (Schiller, pp 42).

The same of cultural industries can be said about the public information and cultural sector. The resulting lack of public presence and participation is not necessarily due to civic apathy or callousness, but to a systematic and deliberate attempt of corporations to reduce the scope of the public sphere and limit the channels for expression and discourse.

And as information itself becomes increasingly more important and lucrative, so does the need for private interests in controlling creation, distribution, and flow.

Information companies are not different than private firms in other sectors in their singleminded objective to engage in profitable enterprise. In the information field, they advocate and promote a private and commercial context for outputs that either derive from or can be utilized by a computer-driven society (Schiller, pp 72).

So, due to mounting pressure from commercial interests to monopolize on information, other areas of the public sector will ultimately suffer. Under a perfect corporate system, libraries would be nothing more than book repositories and private information owners would be able to enact more stringent levels of control over information - once again, deepening the information inequality and creating a very uneven playing field in the new information age.

The idea of the “*public commons*”, or public spaces, is also changing in this age of commercialization and privatization. Public events are now accepting corporate sponsorships without question; universities are looking to companies for funding as public support wanes and budgets are stretched thin; museums are showing new exhibits sponsored by one private interest or another – the public’s space for sale. But with these “sponsorships” also comes additional pressures. Researchers, artists, and policy makers must now think of the corporation’s interests in addition to fulfilling the need of the general public. Schiller states:

Enclosure is the appropriate description for what has been happening in the United States in the last twenty-five years...to the sites and channels of public expression and creativity...If these vital resources are seized for private ends, human health and consciousness itself are held hostage (Schiller, pp 89).

Answering to private interests creates a homogenous and self serving cultural landscape. Creativity and originality become stifled in order to fit with the mission and the ease of packaging and distribution by multinational organizations.

But all of these corporate controls are not limited to US borders. Corporations began looking overseas as more markets became available through deregulation and other political initiatives. The process of corporate cultural synergy was developed and honed in the United States and carried to other markets as more and more mergers between media giants conglomerated to meet the demands for a congealed and packaged cultural product.

What began as a domestic restructuring for internal economic reasons has had a global impact...In pursuing their own ends, the transnational corporations produced a dynamic that became the motor force influencing economic and cultural developments far from home and far into the future (Schiller, pp. 113).

New information technologies have made *location* of relatively little concern. Increases in telecommunications, computer networks, and other communication systems have allowed a more fluid management of resources from virtually anywhere on earth. As corporations extend their controls over new overseas markets, corporate culture ultimately changes the public’s mindset creating a singular global market where creativity on a massive scale is stifled and information is controlled tightly by private interest groups – crafting a consumer based capitalistic marketplace where corporations can dictate the ideas, values and norms of the world. Schiller clarifies this sentiment by stating:

The industries that manufacture the messages and imagery that create the national and international cultural atmosphere have grown greatly in size, breadth, and productive capability in the years since World War II. Expanding, merging, and transnationalizing, these industries now represent an awesome concentration of cultural power and influence, at home and in the world at large (Schiller, pp. 135).

If corporations are allowed to fully actualize their cultural market potential, creativity at the most basic level may be in dire straights. Individuals may eventually succumb to corporate pressures as a means to an end – looking to corporations for inspiration as the cultural epicenter once held in the public commons.

But Schiller also has a very negative view of the role of corporations and of the capitalist market in general. Many would argue his assumptions are nothing more than socialist rhetoric, balk at the idea that corporations are responsible for human creativity and give evidence that private interests are at the mercy of market forces ultimately decided upon by consumer confidence and choice. Others would be disheartened at the lack of “free will” in this corporate dominated atmosphere; disagreeing that individuals are controlled at the most intrinsic levels of communication and expression by a looming global force dictating values and ideas.

However, Schiller fully recognizes the situation in which corporations are increasingly instituting controls and limiting the choices in the area of media and cultural creativity. His assumptions, while made over ten years ago, still hold a very real truth that is progressively growing stronger and more evident as companies consolidate and form new, more focused and diversified multinational organizations. Globalization, commercialization, and privatization are real threats to the public sphere and require continual analysis and critique in order to keep the needs and goals of the people of the American democracy in highest order.

Schiller, H.I. (1989). *Culture, Inc.* New York – Oxford: Oxford University Press.