

# The End of Transformation? Culture as the Final Fictitious Commodity

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## Introduction

Within the plethora of literature on the information age, the cultural economy, and the role of intellectual property (IP) that has emerged in the past quarter-century, no work has assembled an explicit theoretical link to the work of Karl Polanyi. This is surprising, since a Polanyian analysis of ‘fictitious’ commodities and their role in social, economic, and cultural transformation, lends itself particularly well to the engagement of issues related to the commodification of culture and culture’s use as a political resource wielded against commodification itself. This lack of Polanyian analysis may exist because it seems odd at first to engage the central pressing questions of the current age through a re-reading of a book first published in 1944. As one reads *The Great Transformation* in the current epoch, however, its relevance becomes strikingly clear. Extending Polanyi’s theoretic into the 21<sup>st</sup> century invites a powerful optic – one that flirts with metanarrative, but remains grounded and fluid. Discussions of the ‘new economy’, the “cultural

economy’, the ‘postmodern age’, the ‘information age’, ‘globalization’, the ‘knowledge economy’, and IP, I argue, become salient when one describes such things as part of a single project – a “Great Transformation” – that remains unfinished.

In the following pages, I will recount the relevant core of Polanyi’s argument, update it for the current epoch, and explore its implications. In doing so, I will argue that current moves toward the extensive commodification of culture, information and knowledge, represent an attempt to complete a project that was started in the 18<sup>th</sup> century: the construction of an entirely self-regulating global market. The completion of such a project would, Polanyi suggests, create a situation in which the whole of human society is run “as an adjunct to the market” (60) – where the market regulates human activity, instead of human activity regulating markets. The first such attempt, Polanyi argues, was destined for failure as the system’s institution, through the commodification of key resources, resulted in such social and environmental destruction that *society*<sup>1</sup> itself revolted against the plan. The economy, to use Polanyi’s terminology, could not be completely ‘disembedded’ from society.

I suggest that the failure of this market-liberal utopian project was assured only by the virtual exemption of a key resource from the commodification process: culture. In this new era, however, neoliberal market zealots enthusiastically pursue the creation of this – the final of four ‘fictitious’ commodities. If this move is successful, chances of countermovement against the institution of a self-regulating market would be greatly diminished. Ultimately, I will explain, the ‘success’ of such a final commoditization is extremely improbable – as it is both fervently resisted and logistically infeasible. With this positive conclusion, however, comes a spectre. The first attempt at the creation of an all-encompassing self-regulating market culminated, according to Polanyi, in the terror of fascism and global war in the mid 20<sup>th</sup> century. As culture is itself mobilized against commodification in the 21<sup>st</sup> century, fears of similar terrors arise – pointing to a need for further

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<sup>1</sup> Polanyi, not quite a Marxist, tended to use this rather unwieldy social moniker. When ‘society’ is evoked, it tends to generally represent what might now be called a particular articulating tendency toward the view of the “common people” – essentially the working class.

research of the rigidity of commodifying institutions, and of the countermovements against them.

## **The Beginning of Transformation**

The Great Transformation that was the subject of Polanyi's writing began, he insists, approximately with the publication of Adam Smith's *Wealth of Nations* in 1776. The idea of the transformation, then, began in England, quickly spread to the rest of Europe and North America, and finally spurred a period of intense colonial expansion that engulfed the globe. In this assertion we can see the ontological base of the argument. Although the industrial revolution undoubtedly involved technological innovation, and various class interests emerged during this time, the nature of the emerging society, for Polanyi, rested in its ideas – in its culture.

This is not to deny the power that he saw inherent in new technologies and in class interests, but before these powers can be unleashed, he argued, they must first be constructed in the minds of men. It was a particular cultural construction that was the defining feature of the emerging civilization, and not its technology. An industrial society, Polanyi argues, can take any form, and human interests can vary widely. Any technological or material reductionism, for him, is nonsensical. The main force at work in the creation of a new society was emerging “economic superstitions,” which were “corrosive of a crude utilitarianism combined with an uncritical reliance on the alleged self-healing virtues of unconscious growth” (35).

A simple cultural reductionism, however, would not do for Polanyi. For once the ideas of market liberalism mixed with the advent of new technologies which, in turn, provided the means for an advancement of the interest of a new class, the Great Transformation was initiated with ferocity. “At the heart of the industrial revolution of the eighteenth century,” he argues, “there was an almost miraculous improvement in the tools of production, which was accompanied by a catastrophic dislocation of the lives of the common people” (35). The latter was not inevitable given the former, but when mixed with the new intellectual belief in the morality of individual gain, a new merchant class was poised materially and ideologically to mould transformation in that particularly disruptive way.

The new technologies could only be taken advantage of to yield great material gain – as was required by the new secular religion – if social relations were changed. A self-regulating market society, he argued, required the commodification of all human activity (74). Toward this end, an increasingly powerful merchant class, inspired by a belief in the righteousness of personal gain, sought to organize machine technology and society into a techno-social factory system. This group pressured governing bodies of the time to engage in the programmatic creation of the desired economy, by converting – often forcibly – land, labour, and money into commodity form.

Land, labour, and money are, however, not commodities by definition according to Polanyi, since they have not been produced specifically for sale on the market. Money, he asserts, is strictly a medium of exchange and not a ‘good’ in itself. More importantly, “labour and land are no other than the human beings themselves of which every society consists and the natural surroundings in which it exists” (74). They are not ‘produced’ at all. Further, “to include them in the market mechanism means to subordinate the subsistence of society itself to the laws of the market,” thus disenfranchising humans of the ability to collectively direct the trajectories of their own social, political, economic, and cultural institutions (75). This commodification also required the destruction of any non-market social protection systems which were designed to protect the poor from complete destitution, for this would impede the functioning of labour markets. Such systems, which Polanyi called “organic society,” were part of a natural tendency of society toward self-protection (173). Nevertheless, once the middle-class had “forced its way to power” in 1882, both commodification and the destruction of organic society were instituted wholeheartedly in England through enormous government effort (81-82).

During the period of intensive moves toward commodification (1795-1884) the “social fabric,” as Polanyi called it, was frayed. Men, women, and children starved *en masse* in the disruption – farmers converted to vagabonds; tradesmen to thieves. Such widely-occurring anti-social behaviour solidified intellectual confidence in the powerful new science that was being developed – the ‘human science’ of classical political economy. The coexistence of immense wealth, extreme poverty, and corresponding acts of desperation that were prevalent during the industrial revolution, needed to be explained. The

dehumanized acts of socially and culturally disenfranchised humans were observed with scientific rigour, and then “scholars proclaimed in unison that a science had been discovered which put the laws governing man’s world beyond any doubt” (106).

In observing the ‘nature’ of the social disruption around them, classical political economists read fundamental human behaviours from socially situated particularities. Born of tautology, ‘economic man’ was dubbed selfish because he was acting selfishly. He was materialistic because he was observed to be desperate in his impulse to material acquisition (141-158). The utilitarian social theoretic was, through such logic, established in the minds of academics, and was then forced on the population through government policy. Of Adam Smith’s assertion that economic man has always been naturally compelled to ‘barter, truck, and exchange’ for personal gain, Polanyi held that “no misreading of the past ever proved more prophetic of the future” (45).

In Polyanian terms, this social disruption was the result of the *disembedding* of the market. “Nineteenth-century civilization alone was economic in a different and distinctive sense” (33), for Polanyi, in that the economy was no longer embedded in society, culture, or politics. Not only had it become detached from these spheres, but the relationship had been inverted. The architecture of the self-regulating market system was devised specifically so that the possibility of the social advancement, even the security, of the social subject was dependent on the pursuit of personal material gain. Once the self-regulating market was fully institutionalized through the creation of fictitious commodities and the abandonment of organic society, such egoistic behaviour was enforced by the construct itself. In this way, economic behaviour became disembedded from the social, ethical, and cultural determinants of human behaviour.

Human subjects were not, however, devoid of agency for Polanyi. As we have seen, human intellectual/cultural creativity was the main input in the manufacture of the utilitarian myth that had spurred the creation of the self-regulating market. Further, it was the tension between the individualistic demands of this construction and what Polanyi took to be the ‘true’ social nature of humanity that made complete disembedding impossible. For Polanyi, then, agency enacted toward social protectionist measures was to be expected.

The commodification of labour, land, and money inflicted unacceptable pains on society and society, in turn, acted to protect itself. When applied to the ‘fictitious commodity’<sup>2</sup> of labour, market laws were ‘de-humanizing’ in the literal sense, since “[i]n disposing of man’s labour power, the system would, incidentally, dispose of the physical, psychological, and moral entity ‘man’ attached to that tag” (76). Consequently, once “robbed of the protective covering of cultural institutions” these human beings “would perish from the effects of social exposure” (76).

Nature, upon commodification, “would be reduced to its elements, neighbourhoods and landscapes defiled, rivers polluted... the power to produce food and raw materials destroyed” (ibid). As for the final ‘fictitious commodity’ of money,

the market administration of purchasing power would periodically liquidate business enterprise, for shortages and surfeits of money would prove as disastrous to business as floods and droughts in primitive society (ibid).

When ‘intervening’ in the absolute application of market law, then, the English government of the time was simply acting on a deep human propensity toward social self-protection against such ravages. Thus we have Polanyi’s famous thesis of the ‘double movement’ – one movement toward commodification, and simultaneously, another toward social protection from the market, a reaction spurred by the social instinct to protect a way of life.

It should be made clear that, for Polanyi, social protection was not materially motivated just as the destruction wrought by markets was primarily sociocultural, not material, destruction. Regarding the latter:

Not economic exploitation, as often assumed, but the disintegration of the cultural environment of the victim [was]... the cause of the degradation. The economic process may, naturally, supply the vehicle of destruction, and almost

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<sup>2</sup> Polanyi claimed that commodities were tangible goods that involved human labour in their production. Intangibles such a human life and pre-existing resources such as land were therefore falsely commodified since nobody could rightfully claim ownership due to their creation.

invariably economic inferiority will make the weaker yield, but the immediate cause of his undoing is not for that reason economic; it lies in the lethal injury to the institutions in which his social existence is embodied (164).

Furthermore, even when it might have seemed that moves for social protection were materially motivated, it was protection of “social status and security” – relative social terms – that were really at issue (160). The protection of jobs and communal lands, for example, were largely moves to protect ways of life and communities as opposed to income and resources (161).

Polanyi argues that the experience of the English working class was similar to the condition noted by anthropologists upon European contact with other cultures. These cultures were caught in a double-bind since, “while their own culture offers them no longer any objective worthy of effort or sacrifice, racial snobbishness and prejudice bar their way to entry to their adequate participation in the culture of the white intruders” (165). What we might call ‘hopelessness’, ‘destitution’, or ‘underdevelopment’, for Polanyi, is simply a result of the “violent disruption of the basic institutions” by an exogenous pressure:

These institutions are disrupted by the very fact that the market economy is forced upon an entirely differently organized community; labour and land are made into commodities, which, again, is only short formula for the liquidation of every and any cultural institution in an organic society (167).

The attack of the market against society, then, was a direct attack on culture. The commodification of land and labour had represented, for Polanyi, an attempt to separate each resource from its constituent culture – a move that would prove impossible, since, “man and nature are practically *one* in the cultural sphere” (170). The un-stated essence of Polanyi’s argument, I would argue, is that bringing *man* and *nature* into the market while leaving *culture* out eventually served to render the market mechanism unworkable as the latter rebelled against the commodification of the former two.

It was for this reason that countermovements against marketization took numerous forms. Although marketization moved rigidly toward a

universalized form, local social realities were multiple. Markets began to be morphed into disparate forms by creative local cultural formations – an occurrence that would have, Polanyi believed, yielded a workable network of interconnected economies. Indeed, the key to economic and social success, for Polanyi, involved the formation of numerous, different, yet interacting economic institutions across the geographic and social expanses of the globe – some of which may be markets. This Polanyian utopia was not immediately to occur however. Through the internationalization of the gold standard, an enormous attempt to universalize a single system was well underway – and it could not bend to local specificities.

The gold standard represented an internationalization of the liberal market, marked by the imposition of specific monetary policies that could not take on a local character lest they sacrifice the function of the global system (201-209). Instead of multiple variations of economic systems – nuanced by organic societies – ‘One Big Market’ had been conjured as a monolith. Unable to transform in dialectic fashion with the various movements which pressured toward augmentation which would protect lives, livelihoods, lands and cultures, the standard strained in its inflexibility. Because of the very utopianism of the market ideal, and the strict uniformity of its internationalization, Polanyi argued, the response required to interrupt it escalated in its extremism.

Eventually, the moment came “when both the economic and the political systems were threatened by complete paralysis” (244). In dramatic fashion, “unsuspected forces of charismatic leadership and autarchist isolationism broke forth and fused societies into new forms” (209). The snapping of the standard was accompanied by economic collapse, all-out war and a global tendency toward fascism, a tendency which became actualized in some places more than in others (29). Fascism, as Fred Block would later explain in the introduction to *The Great Transformation*, was an isolationist response to “protect society from the market by sacrificing human freedom,” and it was inevitable given the rigidity of the market construct against which it asserted itself (xxxiii).

In this way the first attempt at transformation ended. A utopian idea had been applied nearly universally, without exception for disparate social realities. The effects of this project encompassed the globe. The rigidity of its application became its greatest weakness. When the brittle



structure finally snapped, it contributed to the unleashing of horrors on an unprecedented scale. The impetus behind both the transformation and its countermovement were not material, but rather cultural. The ‘terrors’ released were cultural as well – the result of intensified nationalisms and ethnic isolationisms that were born of socially protective impulses. The root of such troubles was clear to Polanyi: liberal economists had presumed that the global self-regulating market system “was a purely economic institution; they refused to even consider it as part of a social mechanism” (21).

### **The Fourth Fictitious Commodity**

Given Polanyi’s assertions, it is possible to argue that the final step in creating a truly self-regulating market must involve the commodification of culture. If culture itself can be submitted entirely to the regulation of markets, cultural formations will be wholly at the mercy of this mediation. If this results in the diminishment of countervailing normative cultural constructions, the “Great Transformation” into a global self-regulating market society might finally be completed. Still, the plausibility of the success of this particular commodification has been, and remains minute. This will be evident as we traverse through the modern history of culture in commodity form. This should not be interpreted as a claim that the marketization of culture is a benign process though. As was the case with the creation of the first three fictitious commodities, the move to create a fourth carries with it a danger of social disruption of equivalent, and potentially greater, ferocity.

It would be prudent at this time to make clear the meaning of ‘culture’ that I will be employing. ‘Culture’ here involves the totality of human communicative interaction. This includes culture as the processes that constitute a ‘whole way of life’ (Williams 1977), via the creative use of various modes of cultural transmission – speech, gesture, musical expression, language, text and so on. This includes things such as ‘knowledge’ and ‘information’ (Kundnani 1998/9; Throsby 2001). Importantly, a perhaps obvious attribute of culture is that it must be shared – it exists in communication (Carey 1989).

No comprehensive move toward cultural commodification was prevalent in the 18<sup>th</sup>, 19<sup>th</sup>, or early and mid 20<sup>th</sup> centuries. Although the printing press had revolutionized communication and made possible the

commodification of mass culture, the extent of its commodification was purposefully limited during this period (Brown 2003). As argued by Coombe (2004), an intellectual property right (IPR) was not initially thought of as an inalienable property right, but a “necessary evil,” which was created to “provide an incentive for the creation and distribution of new works ... furthering progress in the arts and sciences, the learning essential to an enlightened citizenry, and the ongoing enrichment of the public domain” (370). This “was considered a ‘tax’ on the public ... but one that was strictly limited” (370).

Difficulties in the justification of property rights in culture stem from the nature of the thing itself. Culture naturally is a non-excludable and non-rivalrous good. Without government intervention that explicitly creates rivalry and excludability through IP in patents, trademarks, and copyright, culture takes the form of a public good. The systematic commodification of a public good takes effort and resources on the part of a governing power, and therefore must be justified (Dayton-Johnson 2000).

There are two broad stances utilized for the justification of IPRs – the first of these is based on morality and the second utility. The former stems from the Lockian assertion that people are morally entitled to the fruits of their own labour. When it is admitted, however, that the creation and valorization of culture is literally a shared ‘cultural phenomenon’, any demarcation of a specific individual unto which to bestow credit for the production of the good is necessarily fictitious (Hettinger 1989: 36-47).

Given this difficulty with the moral argument, the utilitarian justification is more commonly used. Indeed, once one submits themselves completely to the religion of the classical political economists who clung to their depiction of homo-economicus as rational, selfish, and materially instrumental, this position becomes entirely logical. As the argument goes, cultural products are valuable public goods – consumers and citizens benefit from their creation and dissemination. Without incentives for individual material gain attached, these goods would be underproduced by economic actors. A monopoly right to economic benefits from such production must, therefore, be created and assigned to an individual. This requires a delicate balance. Since present cultural products are inputs in the production of future

cultural products, a restriction of, or charge for, the use of current culture must slow the pace of future production (Hettinger 1989).

There are two important things to note here. First, the contradictory nature of intellectual property assures that there is no ideally beneficial IP system – a loss occurs with every gain. Given this, the challenge of IP policy must be to maximize social gains and minimize social costs with all the measurement difficulties and subjective assessments that may entail. Second, the argument relies on the classical depiction of human nature as interested only in material advancement – something that (as Polanyi would argue) is nothing more than the result of life in a market society, and not a natural propensity at all. The latter claim implies the possibility of finding non-economic incentives for such production – ways which may avoid social costs associated with the creation of monopolies of knowledge, culture, and information. Problematically, however, the former precludes this as a viable area of inquiry. IPRs, in this view, must be created despite the social “tax” they impose by limiting access to what would otherwise be public goods. Market liberal theology might therefore stand in the way of the public good where issues of IP are concerned (Hettinger 1989: 47-8).

In 1944, when *The Great Transformation* was published, the market liberal theology had been largely discredited by the economic and social collapses that Polanyi discussed. The extent of commodification of land, labour, money, as well as culture was relatively limited by the burgeoning democratic welfare state, its international extensions, and of course communist regimes (Block 2001). However, “the very utopianism of market liberalism has extraordinary intellectual resilience” (ibid: xvii). Friedrich Hayek’s *Road to Serfdom*, first published in the same year as *The Great Transformation*, would be reinvigorated during the 1970s and 1980s by Margaret Thatcher, Ronald Reagan, and Milton Friedman most notably, as the pivotal text for a neoliberal market fundamentalist ideological revolution (ibid).

Significantly, the neoliberal countermovement against state activism was not the only revolution to occur during the late 20<sup>th</sup> century. Technological advancements in information and communication technologies, including digitization and continuing advancements in global transport, were completely reconfiguring possibilities of varying human social trajectories. In this period informational and symbolic goods became “the most dynamic and profitable areas of the world

economy” (Kundnani 1998/9: 50). Furthermore, the very competitiveness of firms in all economic sectors became dependent on “the production of information, knowledge, and symbols” such as in design and advertising (ibid).

What we see here is a familiar process. Just as was the case during the industrial revolution, a market liberal cultural theology has combined with technological innovation to steer human social institutions in a particular direction. Once again, that direction was toward increased commodification. Once again, participation in this economy required an instrumental economic rationality, and this instrumentality was actively produced through interventionist government policy which restricts access to the public goods that are culture and information.

Driven by this mix of theology and technology, attempts to strengthen IP law have been increasingly successful. Lawrence Lessig (2003) documents an increase in the scope of copyright in the United States from 1790 to 2003 that is tied to technological advancements such as the printing press, the photocopier, and digital information and communication technologies. In 1790, a copyright only protected against the copying of a work for commercial use. The use of the work as an input in the creation of a new work for commercial or non-commercial purposes was permissible, as was outright copying for non-commercial use. By 2003 all commercial or non-commercial use of the property was protected by copyright. The bulk of these increases have taken place since 1975. The duration of protection has also increased a great deal. In 1790, copyrights were effectively protected for 28 years. By 1973, the average term had increased to about 32.2 years. In a flurry of acts-of-Congress, the term had been extended to 95 years by 1998. Lessig argues that as owners of profitable copyrights, such as the Disney Corporation, various publishers, and record companies, observe the impending end of terms of protection, they invariably lobby congress, which invariably extends the term. The result has been a situation in the United States in which the *de-facto* term is essentially infinite.

Similar intensifications have occurred in the realms of trademark and patent protection. In fact, as Peter Drahos (2005) suggests, “the one outstanding feature of IPRs has been their relentless expansion, especially in the second half of the 20<sup>th</sup> century” (142). This expansion has not only occurred temporally and comprehensively, it has occurred

geographically as well. The most notable instrument of this is the Agreement on the Trade Related Aspects of Intellectual Property Rights (TRIPS) through the World Trade Organization (WTO), to which 148 nations must comply. TRIPS, a major initiative of multiple key international business players and OECD governments, represents a universalization of a singular IP policy, modelled to a great extent on the American system (*ibid*). It has impacted all parts of the world in its rigidity just as the gold standard of the early 20<sup>th</sup> century did – and threatens to be similarly disruptive.

The recent increase in the commodification of these goods is telling. Although only 3.5 million patents were in existence in the 1970s globally (Drahos, 2005), by 2007 nearly one million new patents were being granted per year (WIPO, 2009). Similarly, after being relatively negligible globally in the 19<sup>th</sup> and most of the 20<sup>th</sup> centuries, 547,969 trade-marks were issued in 1984. This number grew to over two million-per year in 2007 (WIPO, 2009). With this swell in number of trademarks has come an increase in concentration, as they are disproportionately owned by nationals of wealthy countries (Baroncelli et. al., 2004). The number of copyrights grew in a similar exponential fashion (Lessig, 2003). Along with this, and the marked increases in terms of such rights, their ownership has been concentrated in the hands of a few large multinational corporations (Drahos, 2005; Lessig, 2003).

## **The End of Transformation?**

The commodification of culture could be imagined as occurring along a continuum of extremity ranging from the simple creation of material texts for sale, to the complete commodification of interpersonal communication. The latter deserves further explanation, since it has not fully occurred before: picture an extreme marketized world where the permission to use any given word or other symbol must be granted by a private copyright holder, and corresponding royalties paid. Further, the medium of communication must command a toll – as is the case through private phone-line, or internet service. In such a case, I believe we could safely say that culture would be wholly regulated by the market. In such extreme cases of monopolization, as Carey (1989) argues, groups of people “may easily fall prey to experts in knowledge who do our knowing for us, who inform us but whose knowledge does not easily connect to our actual experience and the

basic transactions of life” (165). In such an environment, a countermovement against commodification would be difficult to imagine, precisely because controls on access to communication could render it unimaginable.

Where there is room apart from the market in which communication and interaction may occur – a ‘public sphere’ it has been called – we may expect a human penchant toward ‘cultural creativity’ to take hold (Habermas 1989). Oral communicative acts are important here. “The strength of the oral tradition”, as Carey suggests, was that it could “not easily be monopolized”. Further, since “speech is the agency of creative thought,” a widespread, unmediated oral tradition promotes an autonomously existing and acting public (166) which produces a vibrant and rational (in the Habermasian sense) lifeworld (Durham-Peters 1993).

A lifeworld is a shared thing – perhaps the primordial public good – and to threaten this reaps a real and felt devastation. As Dewey suggests, “Men live in a community in virtue of the things which they have in common; and communication is the way in which they come to possess things in common” (1916: 5). The community that is held in common, then, becomes the thing that matters – since it provides the very definition of what is to matter (Warner 2002). Abrupt cultural disruption, however, threatens to rob individuals of these communicationally negotiated spheres of understanding – along with socially defined identities, statuses, operational knowledges, and distinctions (Douglass 2004). It is this that Polanyi refers to when he suggests that the true devastation that occurred upon transformation of formerly non-market peoples into a market society was not material, but cultural.

Using these insights, we can inject a theory of communication-as-culture within a public-sphere into Polanyi’s framework. This helps us to nuance the concept of the *double-movement* as we use this scaffolding to examine the ways in which communicative action and cultural creativity might be stunted by cultural commodification. We can then begin to understand how the creation of a fourth fictitious commodity might retard a society’s propensity to protect itself from the market – possibly facilitating the final disembedding of the economy from society and bringing the Great Transformation to an end.

An important observation that arises regarding this is that the new regimes that work to institutionalize the knowledge economy both assume and create a specific form of rationality. Foucault's (1978) concept of governmentality is useful in understanding this. For particular aims to be achieved, a certain 'self-government' or internalized way of rationalizing behaviour is required on behalf of a population. Achieving desired social behaviours, "is a question not of imposing law on men, but of disposing things: that is to say, of employing tactics rather than laws, and even using laws themselves as tactics" (95). Laws, such as those enacted through TRIPS, provide not only rules for those who are assumed to be instrumentally rational to obey, but also create a framework in which instrumental rationality must be adhered to in order to ensure social survival. Further, these legal instruments radiate a cultural message: the positive claim that humans are materially motivated carries with it a normative commandment that they should be.

Examples of resultant rationalities will be presented below. These issues are all fraught with complexity, ambiguity, and contradiction, and as a result there is little space here to treat each in the detail it deserves. What I mean to point out are the ways in which each of the examples I will present document a restriction of cultural creativity either through external mechanisms of restraint, self-imposed discipline, or the diminishment of access to cultural resources. Further, they involve the imposition and sometimes internalization of a certain market fundamentalist form of rationality.

The act of creation of local distinctions for the purpose of cultural marketing (usually for export) provides a fitting exemplar. International law – primarily through TRIPS – has provided "favourable protection to names and symbols that indicate a particular geographical source for a good" (Coombe 2005: 12). These protections – usually in the form of trademark – work to allow markets to rationalize culture, often at the expense of subaltern cultural expressivity. This is illustrated in Grasseni's (2003) study of the way in which "funding strategies, legal recognition, and agricultural aid..., aiming to 'calibrate' local products for the national and international market, facilitate the commodification of locality" (263). The study shows how such acts can extend a form of control over the nature of local cultural practices, favouring those that appeal to the market while "overlooking and eventually erasing" others

(281). Moran (1993) sees such patented geographical indications as a culturally protectionist counter to culturally homogenizing neoliberal trade policies – overlooking the market dictates on the nature of such local distinctions that were addressed by Grasseni. Coombe (2005) notes that such distinctions might act as a counterweight to neoliberal standardization, but also notes that their actualization requires a “self-imposed communal discipline” on the part of locals (13). Coombe (2005) also illustrates a comparable process in the trade-marking and marketing of urban centres.

Similar issues emerge regarding forms of cultural tourism. Again, as Johnston (2006) suggests, utilitarian logic prevails since in order to protect biological or cultural diversity, the received view is that “it must be made an economic asset” (4). The result, according to Johnston, has been the pillage of the cultural heritage of indigenous peoples as well as “cultural erosion,” and essentialism of local culture from above (through state practices and market demand) (8). Scher (2002) shows the ways in which government attempts to commodify and market a particular Trinidadian cultural ‘brand’ surrounding Carnival has led to the exclusion of certain groups from official national culture, and the ossification of that particular cultural expressive arena. A similar story is told by Cano and Mysyk (2004) regarding the directives imposed upon cultural identity in rural Mexico by state and market.

The tensions described above occur entirely within markets, where the nature of the commodified form seems to require an essentialization – perhaps a ‘freezing’ – of local cultural practices in these regions. Only particular forms of culture are permitted to exist in such scenarios. However, as Coombe (2005) suggests,

It appears that neoliberalism is capable of accommodating those forms of cultural differences that can be formulated in commodity terms but that it is challenged by those who assert cultural difference that are difficult to encompass within the conceptual frameworks of modernity (3).

Lifeworlds that do not fit properly into market exchange become excluded – life outside the market tends toward the unimaginable.

This is important to a Polanyian analysis since it is difficult to conceive how a society could protect itself against the ‘satanic mill’ of



the market without an alternative normative framework. The more that commodification of culture tends toward completeness, the less, we would expect, cultural creativity and therefore countermovement will occur. In a world where destitution based on cultural caste can be internalized (Appadurai 2004) and communities can die-off due to a cultural aversion to eating particular foods (Diamond, 2004) any claim that such protection is enacted to safeguard some 'natural' human state of being must be questioned. The sorts of lives, degrees of inequality, and extents of degradation that humans will deem tolerable must be culturally defined. Social, even individual, actions to counter social ills must first be culturally defined as 'ills'.

The very incompleteness of cultural commodification enables this ability to imagine alternatives to occur. This incompleteness leaves room for the cultural construction of artefacts such as the *American Bill of Rights*, the *Universal Declaration of Human Rights*, the *International Covenant on Social, Economic and Cultural Rights*, or the *Draft Declaration of the Rights of Indigenous Peoples*. The existence of such texts, (with all their inadequacies), as well as less glorified normative frameworks like the opinions peers have on the morality of this or that subject, ensure that the double movement between market and society will endure. This cultural freedom is the thing that ultimately obstructs the 'End of Transformation' by allowing alternate imaginaries and counterlogics to exist. Even when restricted by extreme forms of commodification, it seems, unmediated interpersonal communication and cultural creativity is pervasive – and in this exists the seed of countermovement.

As Polanyi maintained, it is the extent of ubiquity, rigidity and uniformity of the market institution that depicts the severity and nature of the countermove against it. A market that is able to be amended by various social groups to achieve this or that social end is not 'self-regulating'. Indeed, the multiple interlinked market-like economic formations that would be the result of such control would be a sign of true human freedom to Polanyi. If economic forms were to be enacted through genuinely democratic modes of governance such diversity of economic formations would be much more likely (Durham-Peters 1993). Cultural and economic forms would likely experience a relative freedom of morphology. The global IP scaffolding, like the gold standard of the 1930s, is largely immutable however. Responses to the

rigidity of this system, as well as that of the entire neoliberal market, have resultantly begun to tread on familiar troubling ground.

Fascism, as Polanyi argued, was a response to an impasse between a rigid market system and a society that sought to regain its autonomy from the market. It was an answer that sacrificed human freedom in its desperation to re-institute social control over the economy. As we have already seen, groups have chosen to sacrifice cultural freedom and creativity in attempting to maintain themselves *within* a self-regulating market – through the use of various geographical indicators and cultural ‘branding’ practices. Perhaps the strongest available means for groups to assert their autonomy *from* the market is a legal claim to a ‘cultural right’ to self-determination through new international instruments. As Jung (2003) suggests:

[T]he rise of indigenous identity is implicated with the neoliberal economic and political initiatives that have redefined the role of the state. As governments have relinquished responsibility for social and economic well-being, the political leverage of class identities (like the peasant worker) has diminished. Yet almost simultaneously, the international human rights regime has expanded its definition of rights to include not only individual rights in physical and political protection but also collective rights in cultural protection (436-7).

Particularly, through the ILO convention 169 – signed in 1989 – indigenous peoples found recourse to “exercise control over their own institutions, ways of life and economic development” (Anaya 1996: 48). It seems, however, that the availability of this recourse has, in turn, produced a growing number of claims to ‘indigeneity’ and an overall increase in the political use of the term *culture* – “often in a highly essentialized form” (Cowan et al. 2001: 3). This progressive form of auto-essentialism only need be troubling if it is both excessive and ‘freezing’ – meaning that compliance is strictly prescribed and dynamic cultural change is stunted. In other words, a fascism may arise where culture ceases to be “a field of creative interchange and contestation” (ibid: 5), and becomes isolated and immutable. Given this, ILO convention 169 treads on dangerous ground as within it,

Culture...is understood as a unified arrangement of practices and meanings. It is yet another 'thing' that an already formed actor is entitled to 'have' and 'enjoy'. Acknowledgement of its ontological aspect, its role in constituting persons, is muted (ibid: 8).

Similarly, UNESCO's *Convention on the Protection of the Diversity of Cultural Contents and Artistic Expressions* frames cultures within the boundaries of nation states. As argued by Albro (2005), "we should have good reason to be suspicious of national cultural projects, as historically they have mounted regular assaults on the diversity of states in the interest of "the nation" (248).

Just as TRIPS enacts a form of governmentality, so do legal instruments of cultural protection. Claims to cultural protection through the ILO and UNSECO conventions must engage with the "essentializing proclivities of law" since law is a "structuring discourse which shapes how the world is apprehended" (ibid: 10-12). If cultures are depicted as monolithic, bounded, and unchanging in these instruments, that may be precisely the cultural rationality they will tend to promote. Cultural creativity – cultural freedom to interchange, challenge, and contest – may then be at risk.

I draw attention to examples of ossifying tendencies inherent in both cultural commodification and cultural countermovement not to claim its omnipresence but to point to a necessary direction for further research. Important focussed empirical studies are necessary to pull apart the idiosyncratic realities of commodification and counter-commodification in the cultural realm. To what extent do different forms of commodification tend to essentialize? Can impulses to cultural protection from what is envisioned as the raging, marginalizing, homogenizing, cultural machine of the globalized neoliberal market diminish the human capacity for cultural creativity by introducing rigid fundamentalisms? These questions can be only addressed through a varying array of specific and general studies on multiple scales. A Polanyian framework, however, could serve us well in guiding that research.

## **Conclusion: Cultural Freedom in a Complex Society**

If there is a core claim in Polanyi's argument, it is that rigid institutions that are conceived from fundamentalist claims to universality are unworkable when applied within a context of the pluralistic and shifting realities of human social creativity. The functioning of rigid legal instruments is likely impossible given a natural human penchant for cultural creativity. If humanity had been homogeneously materially self-motivated and rationally calculating as the classical political economists had suggested, the universal imposition of the self-regulating market is unlikely to have met such resistance. Due to the virtual impossibility of the complete commodification of communication and culture, however, the neoliberal project of the construction of the global information economy seems as futile as its liberal forerunner – the Great Transformation can never come to its totalistic end.

The greatest danger to humanity, however, may not lie in the potential success of this project, but rather in the extremism of the countermovement against its rigidly devised infrastructure. A fascism from above that has taken the form of the market regulation of culture may be countered by a fascism from below in the form of claims to essentialized identities and fundamentalist cultural counterlogics. We have already experienced much violence between these two rigidities in the early 21<sup>st</sup> century, and it is self-evident that any additional escalation of animosity and further polarization of identities could have catastrophic consequences.

The avoidance of such catastrophe hinges on Polanyi's concept of "Freedom in a Complex Society" – the title of the final chapter of *The Great Transformation*. Freedom, for Polanyi requires that cultural forms not be 'artificially' constrained. A moving integration of various interlocking economic systems – each subordinated to multiple human social circumstances – provides the flexibility required to stave-off rigid countermovements according to this position. Although the actualization of such a project is undoubtedly subject to its own dilemmas, a good programmatic starting point would be the insistence that no universally consistent application of cultural commodification be institutionalized. This would require the abandonment of TRIPS, or its amendment to allow for various social particularities.

There is another way out of this dilemma as well: the instruments that have been devised in order to assert cultural rights against the neoliberal market might be designed differently. Instead of providing the legal impetus for essentialism, these agreements could be designed in a way that promotes cultural freedom and creativity in the spaces that they carve-out from the market. Freedom in this sense, as for Polanyi, is not the postulate of an individual who is free to pursue his 'interest', it is a freedom to communicatively act in ways that create shifting, unbounded, and ephemeral cultural forms. This is the type of freedom that should be asserted within a 'cultural rights' framework – creating a refuge from the essentializing natures of both the market and the fundamentalist countermovements against it. Put simply: human beings are not atomistic and their cultures are not monolithic – when we create institutions that require that they be either of these, we may restrict human freedom fundamentally. The prudent policy choice, as Polanyi concluded, would be to embrace the opposite in all its ambiguity.

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