

Control, Cultural Production and Consumption



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EFI, Box 6501, SE-113 83 Stockholm, Sweden • Website: www.hhs.se/efi/
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Control, Cultural Production and Consumption

*Theoretical Perspectives, Empirical Dilemmas, and
Swedish Music Industry Practices*

Linda Portnoff



STOCKHOLM SCHOOL
OF ECONOMICS
HANDELSHÖGSKOLAN I STOCKHOLM



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PREFACE

The world is full of complex connections, some of which may be explained and understood, some of which are harder to perceive, yet others that are too complicated or even impossible to talk about. Certain dimensions of life are most plainly communicated and comprehended through aesthetic experiences. This is why art plays an important role in our human existence. To speak for myself, life would be poorer, more boring, and more difficult to appreciate without a cultural water hole able of providing a particular consolation outside of work and social life.

This dissertation originates from an interest in two rather separate matters; in the role of culture and the significance of music, and in structures and processes of control in society. I am fortunate to be able to satisfy a curiosity regarding both these matters, on one hand as a practicing musician, and on the other hand as a doctoral student in The Department of Accounting and Commercial law at the Stockholm School of Economics.

Being able to cogitate on the role and status of culture and economy in society from a musician's perspective, as well as from a business administration viewpoint, puts me in a unique position to explore the development of social and economic relationships and their inextricable linkages to the development of control mechanisms in the Swedish popular music industry, which this book is all about. In this prelude I want to take the opportunity to express some acknowledgments.

Despite the numerous obstacles I have stumbled across in this dissertation project, it has been a privilege and a great pleasure to do research and write a book about a topic that has genuinely interested me. I am grateful to my primary supervisor Professor Lars Östman for making this possible. Several years ago, Lars and I entered into a conversation about scientific and intellectual matters that soon extended to questions about music in particular and life in general. I want to express my enjoyment of our discussions and my appreciation especially for the humanistic sides of your personality Lars, which these talks revealed. I also want to thank the other three professors of the supervising committee; Johnny Lind, Trevor Hopper, and Sven-Erik Sjöstrand for much appreciated guidance and feedback on my work.

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Linda Portnoff

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INTRODUCTION

The following chapter gives a background to my motivations and research questions and it locates the dissertation in scientific discourse. Moreover it discusses neglect within previous research and a possible scientific contribution. An outline of the structure of the thesis brings the chapter to a close.

Research issue

This thesis is occupied with economic problems facing producers of cultural goods. Economic problems involve the organization and control of activities related to the production and consumption of goods and services. There are financial limits to both production and consumption. Organizations prioritize and choose when, how, and what to produce in relation to available or scarce resources. In a similar fashion, consumers' consumption is financially delimited by what they can afford and want to spend, and therefore cultural consumption is partly determined thereby. Hence, the most general and fundamental aspect of the research issue concerns how organizations' actions are conditioned by external financial impulses such as financing conditions or customers' willingness to pay, and internal methods of maintaining economic control (Östman, 2007).

Cultural organizations and cultural workers constitute a symbiotic relationship. They are dependent on each other's resources and competencies when it comes to reaching out to an audience. From the consumers' perspective the artist or the artist's performance is

of vital importance to the experienced value of the cultural production. Among central actors on the production side we have musicians, record companies, and publishers – organized in various ways between themselves and between each other. Each separate organized unit faces unique financial limits and available alternatives, which give rise to different dilemmas. For the members of a band, the question of long-term financial survival is connected with the question of how to make a living. It is not unusual that musicians, at some point in their careers, have other part-time jobs. For a record company, the issue of continued existence may involve questions of whether to become listed on a stock exchange or not.

In relations between these actors, who are partners in music production, practices arise within different arenas. Diverse interests, values, and rationalities confront each other. Common aspirations unite. I am intrigued by how control emerges in such relations, which the Swedish popular music industry is constituted by.

From this plot it may be inferred that some particular aspects become relevant since the research issue involves cultural production and consumption: Cultural production and consumption are concurrently cultural and economic activities, and music production and consumption concern interorganizational phenomena.

In the first instance, music production and consumption are at the same time cultural and economic activities, and consequently I will understand them as such. Cultural products are symbolic goods that result from the creativity of individuals, groups and societies, and they are carriers of peoples histories, traditions, beliefs, hopes and fears. The economic success of a cultural good is dependent upon its symbolic value which is the result of the beliefs, actions and efforts of all of who “create the creator” (Bourdieu, 1993, p. 76). Bourdieu’s theory of the field of cultural production embraces the material and symbolic production of cultural goods, and therefore I find it suitable for the purposes of this thesis. I will return to this in a while.

Symbolic production also relates to a second aspect – that is, inter-organizational phenomena. Cultural production requires different resources and diverse activities, and it takes place in social relations¹ between individuals. It involves various intermediaries who contribute in various ways to the cultural works’ meaning, hereby sustaining the universe of belief which is characteristic of the cultural field (Bourdieu, 1993, p. 14). Because the value of cultural goods is created in networks of performers, critics, consumers and others inter-linked through reciprocal dependences (Becker, 1982; Coser et al., 1982), it is particularly palpable that both production and consumption become subjected to control aspirations.

The following two sections outline rough mappings of scientific discourses I relate to – in other words, they delineate what research conversations I want to engage with, and consequently what scientific discourses I regard my study’s principal contribution being offered to. My positioning in the scientific management control field, which I see as my scientific domain, will be further expounded over the forthcoming theoretical chapters where I can compare and relate my research, and the theories it rests upon, with the axiomatic grounds of other research.

¹ According to Weber (1983[1922] p. 20) the criterion for the concept of social relation must be some reciprocal orientation towards the actions of another. Hence, the concept of social relation does not stipulate whether the relation between actors is characterized by cooperation or the opposite. It is not necessary that the actors who orient their behaviors towards each others always give the same meaning to their social relationship or that they orient their attitudes towards the other party’s attitudes. In that sense there exists no “reciprocity.” But there is still a reciprocal orientation insofar as the actor presupposes, perhaps completely or partly incorrectly, a certain attitude towards himself/herself from the other actor. Such expectations will influence his or her behavior which leads to consequences for the course of action and for the shaping of the future relationship. Weber refers to this type of relation as a reciprocal but asymmetrical social relation (*ibid.*, p. 20). The social relation constitutes an essential object of analysis in this dissertation.

Positioning in a management control discourse

My concern with existing research in neighboring areas – such as financial control and management control, financial accounting and management accounting – is two-fold; firstly, mainstream research is in my view not broad enough, typically neither regarding its empirical scope, nor regarding its applied theoretical perspectives. Secondly, it is not critical enough.

My first criticism is shared by a steadily growing research field concerned with control in broader empirical contexts such as inter-organizational settings. This scientific domain has been reviewed by Håkansson and Lind (2007) who categorize previous studies into those with a market-based theoretical approach and those with an organized-structure theoretical approach. The authors conclude that most of the published papers take on a market-based approach with origins in agency theory and transaction cost theory. According to Håkansson and Lind's classificatory scheme my study would sort into the latter category alongside works that apply broader (typically sociological) theoretical perspectives to interorganizational control issues, such as the study by Thrane (2004) who draws on Weber's theories to understand the structuring of network interaction and the development of social order in three formalized horizontal networks; or the study by Seal et al. (2004) who use Giddens' structuration theory to avoid traditional distinctions in accounting between that which is inside and that which is outside the organization.

As a corollary of abandoning the notion that production is strictly an intrafirm activity, we need to rethink conventional classifications in accounting that make a sharp distinction between the "inside" and the "outside" of the firm with management accounting concerned with the former and financial accounting with the latter. (Seal et al., 2004, p. 76)

The study by Seal et al. draws attention to the argument that in today's network society, value creation increasingly occurs in social

relations that bridge over organizational boundaries (Castells, 2000). This brings new challenges to the organizing and managing of activities that are not under the hierarchical control of single legal corporate entities. A decade has passed since Manuel Castells published the first edition of his trilogy on economy, society, and culture in the information age, and Hopwood (1996) called for more research on horizontal relations between cooperating organizations, and Shields (1997) added on a particular demand for inter-organizational governance studies within non-manufacturing industries. Håkansson and Lind's recent (2007) review shows that numerous researchers have followed this suggested research agenda; however, only a minority of interorganizational control studies as yet concern non-manufacturing industries.² As far as I am concerned, cultural production constitutes an exemplary case for studying contemporary control because it shows an example of value creation taking place in an empirical setting that extends organizational borders in a non-manufacturing industry, and not the least, because the already problematic concept of value creation becomes even fuller of nuances in the case of cultural production.

In a study by Bradach and Eccles (1989), price, authority, and trust were mapped onto the three organizational forms of market, hierarchy, and network, as ideal typical control mechanisms. Håkansson and Lind's (2004) empirical study showed that in reality, interorganizational cooperation between companies has elements of market as well as hierarchy, and in the particular network under scrutiny in their study, a combination of different forms of control was found. Focusing on the interprofessional relations between doctors and other medicine workers, Adler et al. (forthcoming 2007) argue that parallel to market and hierarchy principles, the community princi-

² Håkansson and Lind (2007, p. 907) mention three studies on existing accounting practices in the public sector (Jones, 1999; Roodhooft and Warlop, 1999; and Seal and Vincent-Jones, 1997), one study from the service sector (Widener and Selto, 1999), and Langfield-Smith and Smiths' (2003) study on the role of trust in the IT service industry.

ple has become more salient in professional work. These studies reinforce my conviction that interactions at individual level become very important for an understanding of the emergence of control. Powell (1990) formulates it quite succinctly:

Markets, hierarchies, and networks are pieces of a larger puzzle that is the economy. The properties of the parts of the system are defined by the kinds of interaction that takes place among them. The behaviours and interests of individual actors are shaped by these patterns of interaction. (Powell, 1990 p. 301)

In the vein of Powell's argument that a focus on different types of interaction are more decisive for the emergence of control than different forms of organization, I seek theoretical inspiration from Ferdinand Tönnies who developed two ideal typical socialization forms categorizing different kinds of interaction patterns as *Gesellschaft*, i.e. more business-like, or *Gemeinschaft*, i.e. more community-like (Tönnies, 1957 [1887]; 2001 [1887]). Tönnies' model can help develop a broad conceptual framework of control and a novel perspective on the previous literature about control.

In line with proponents of an engagement between sociological perspectives and accounting research (Miller, 2007), I believe control practices need to be understood against the background of the extended grid of relations in which they are embedded (Granovetter, 1985). It is in order to reach such an aim I also seek inspiration from Bourdieu's (1993) theory of the field of cultural production that allows for an analysis of different individuals behaviors against their embedded positions in the field of popular music. Bourdieu's notions of field and capital assisted for example Kurunmäki (1999) in analyzing struggles for the redistribution of power and control among actors with diverse roles and partially divergent objectives in the Finnish health care field. Kurunmäki concludes that accounting practices and economic reasoning has become an integral and important part of everyday practices of various institutions and indi-

viduals involved in the functions of financing, production, and consumption of health services.

Thus far I have presented my suggested approach designed to overcome the first concern I mentioned with mainstream management control research – narrow, often technical or functionalistic conceptualizations of control that disregard the social environment it is embedded in. I shall now return to the second criticism I delineated in the introduction to this section – that there is a neglect for critical research on the topic of management control.

Two fairly extensive reviews of critical and alternative perspectives on management accounting and control have been conducted by Covaleski et al. (1996) and Baxter and Chua (2003). From these reviews it can be concluded that studies that pay attention to the processes by which control is created and/or the effects thereof for various groups of stakeholders are in a minority position to the mainstream accounting and control literature. A noteworthy exception is Ahrens and Mollona's (2006) study of how control emerges in cultural practices at a steel mill in Sheffield. Ahrens and Mollona widen the field of empirical inquiry by conceptualizing organizational control as an effect of the actions and ideas of organizational members beyond the ranks of management.

Cooper and Hopper (2007, p. 208) rhetorically ask: "[...] what place is there in an age of shareholder value maximization for critical theorizing that emphasizes reflexivity and engagement, and improving the social welfare of multiple organizational stakeholders?" One of the organizational units in my material is not even a corporate stakeholder but a band. Conducting research from a stakeholder perspective requires an effort to try to understand different rationalities for behavior. I share Boland and Pondy's (1983) view of accounting in organizations as a set of objects and processes that are created and given meaning through the lived experience of individual actors, and as a consequence I am interested in letting various stakeholders' voices be heard on the topic of control. In conformity with

other critical management accounting scholars, I am also interested in being attentive to accounting's distributional effects and consequences for gender issues (Cooper and Hopper, 2007). Feminist accounting studies have shown that both annual reports and management control systems reproduce gender inequalities (Tinker and Neimark, 1987; Adams and Harte, 1998). Adams and Harte also explain gender discrimination related to employment opportunities and inequalities in occupational positions by patriarchal attitudes of management.

Being a woman myself, perhaps I have been particularly inclined to notice, reflect upon, and react to gender order in the music industry as well as in society at large. But the primary reason for including gender in my critical perspective, and excluding other forms of discrimination such as class or ethnicity from an analysis in this thesis, is because the gender issue came up early in empirical interviews, and I followed up on it. Evidently, this is but one example of where empirics have had a role in guiding the inclusion and exclusion of topics to be further developed and analyzed.

Relating to previous studies on cultural production and consumption

I believe an engagement with literature in the field of cultural production and consumption can open up for future, possibly fruitful, cross-disciplinary scientific discussions. To my knowledge, there are not many previous studies that have focused specifically on trying to understand the control mechanisms at work in the relations that constitute the culture segment of the economy. I see an under-explored area in the overlap between the two scientific domains of management control and cultural studies.

When it comes to the academic field of cultural studies, postmodern theories have dominated research on cultural production and con-

sumption and given rise to a scientific literature that sorts under broad headings such as *cultural and media studies* and *arts management*. Many of these aesthetical scientific studies almost entirely focus on interpretative aspects, or readings of studied phenomena as “texts,” which implies “out of wider social, economic, political context.” From a control perspective, and in my opinion, any study of cultural production must take into account the material effects of the political economy and the financial aspects of the studied phenomena. This position is in line with Bourdieu’s (1977) claim that a social phenomenon cannot be read like a text and given meaning outside the practices it is interwoven in.

Bourdieu’s *The Field of Cultural Production* (1993) has been an important departure point for the formulation of this thesis’ purposes and questions. However, because the essays that make up *The Field of Cultural Production* focus on the logics of practice within the fine arts and my empirical focus is on popular music I have also briefly reviewed literature with a special focus on the latter.

Much research on popular music has been influenced by linguistic, semiotic and musicological traditions rather than by the social sciences, and this condition is criticized by Cohen (1993). But there are, of course, studies from the field of cultural production that are more sociologically inspired – one of them being Cohen’s (1991) own ethnographic study of two Liverpool rock bands. I can further mention Hirsch’s (1972) classical and often quoted article on adaptive strategies used by entrepreneurial organizations within the publishing, music, and film sectors, or Caves’ (2000) book on the creative industries, which has been conducted from an industrial organization and contract theory perspective. Gander and Rieple’s article (2002) also discusses interorganizational relations in the global popular music’s broader economic and social context.

A recent inspirational source to this thesis has been Longhurst’s (2007) book on popular music in contemporary society. Even

though it rests on a perception of music as a text – “any cultural object, such as a book, play, film, television programme or record, should be thought of as a text (p. 20)” – Longhurst develops a framework that considers social and economic contextual factors and which includes both production conditions and audiences uses. The framework allows for a wide range of analyses from gender and ethnicity issues, to the role of subcultures and fans in the production of the value of a text. Encouraged by Longhurst’s holistic perspective including a questioning into issues of contemporary popular music consumption, I want to explore control mechanisms in both cultural production and consumption.

Research aim

Briefly put, my aim is to explore that which is principally an economic problem with an arising control problematic as a consequence, by help of a broad theoretical approach. I seek to combine a sociological and economic outlook on classical control issues³ within an original empirical setting, i.e. a cultural field, where the phenomena I am interested in appear clearly.

It has been suggested that an understanding of the cultural field should incorporate an analysis at three levels of social reality (Bourdieu, 1993 p. 14 ff.). The first level regards an analysis of the position of the field of cultural production in relation to the field of power. The second level regards an analysis of the structure of the objective positions occupied by agents competing for legitimacy in the field of cultural production as well as the objective characteristics of the agents themselves. And thirdly, an understanding of the dynamics of the cultural field should incorporate an analysis of the

³ The research questions in the next section specify the control issues this dissertation deals with.

genesis of the producers' *habitus* (i.e. the structured and structuring dispositions which generate practices).

At the first level of analysis, my aim is to explore the tension between the field of popular music and the dominant political and economic relations in society at present. As a background to this analysis I will give a historical retrospect of the popular music field and a depiction of the organization of the global music industry.

While the first level of analysis proposed by Bourdieu deals with the relationship between different fields, the second level of analysis deals with relationships between opposing forces within a field. Within the cultural production field there is a divide between large-scale production and restricted production. Restricted production is governed by internally defined principles of legitimacy while mass production is ruled by external, economic laws. Organizational actors in the field of cultural production will be closer to the one or the other of these poles. I intend to examine organizational strategies dealing with these tensions.

The dynamic of the cultural field is further based on struggles between positions, a struggle often expressed in the conflict between orthodox conventional and challenging new modes of cultural practice (Bourdieu, 1993 p. 16). At this level of analysis I will explore both the characteristics of the agents who produce popular music, and the characteristics of the cultural works they produce. An aim to describe the "objective characteristic of the agents themselves" will include a depiction of popular music's gender structure. My thesis questions for whom positions in the popular music field are available, and further what types of music are promoted by the structures and workings of the popular music industry.

The third and last level of analysis involves trying to understand strategies and emergent practices at the individual level. Among all relations in the complex network emerging in a record production, I have chosen to focus the microanalysis of control issues on the

relations between a band and their A&Rs⁴ who represent a large independent Nordic record company – MNW, and one of the world’s largest music publishers – Warner Chappell. The band, Silverbullit, consists of five group members, and at the time of the study they had released two records and were working on their third album with the same record company. I was interested in choosing a band and a record company that outspokenly held artistic integrity high, in order for an examination to be undertaken of the effects of economic forces and commercial pressures on such an artistic business venture.

In a similar fashion, organizational dilemmas must be understood against the background of the workings of the field, and the individual level of analysis must incorporate a relation to organizational and field structures. Interpretations of how and why individuals act in certain ways will thus take these aspects into consideration.

To sum up, this dissertation examines an encounter between community and business. It evolves around uniting and opposing forces in the Swedish popular music industry – conceptually by joining the perspectives of Ferdinand Tönnies and Pierre Bourdieu who both took an interest in the reciprocal relations that constitute society. However, while Tönnies wondered what unites people in society, Bourdieu was notably interested in understanding what separates groups of people from each other. I am curious about the business economic dimensions of these questions; more specifically how control impulses emerge in relations between individuals who represent different organizations in the field of popular music. As a departure point, we have different organizational units operating

⁴ A&R is short for Artist and Repertoire. The A&R person is responsible for scouting and developing talent. The A&R department is the link between the artist or band and the record label, and the A&R handles contractual negotiations, organization of music production including finding songwriters and record producers, and scheduling recording sessions.

under business economic conditions and demands that must be met, ultimately for the purpose of long term survival. Each separate organization operates within financial limits, and from its own distinct perspective.

Within the over-arching research aim I would like to specify this dissertation's research questions.

Research questions

A first question concerns how control in the production and consumption of popular music can be understood. It will be approached theoretically as well as empirically through iteration between previous literature and experiences from the field. Parallel to the analytical ambition of constructing a conceptual framework of control in reciprocal relations, I also want to use that interpretative frame empirically to examine relations, interaction patterns and prevailing rationalities in a music production case. The first question posed is:

1. How can control in music production and consumption be understood?

Against the background of the fundamental business economic condition of limited resources, and according to the aim set out in the previous section, I further want to give a description and an analysis of corporate and individual strategies dealing with the tensions involved in popular music production. Central actors in music production strive to survive as organizations. This means that financial limits will be marked for each and every actor separately. Aside the different financial conditions each actor also possesses various levels of resources and competencies and they face different restrictions on possible scopes of action, due to legitimate behaviors that are ascribed to them. Given that separate actors' preconditions may be

poles apart, I want to understand different peoples constructions of meaning and expressions of control focuses. I will seek to understand distinct actors' efforts to manage what is important to them. In connection to this, an overarching research question reads:

2. How do central actors in music production relate to business economic demands and field-bound principles of legitimacy?

Thrane (2004) writes that in network settings, traditional accounting is hindered by the inability to form a bottom line – each company faces its own financial and operational risks and has its own corporate governance structure and income streams. A crucial question in networks is then the division of profits between the parties involved (Thrane, 2004, p. 113). In line with this argument, the third question concerns the distribution of risks and returns between different actors involved in a music production. The question poses the need to investigate how well the cooperative work-efforts fall out financially and how different stakeholders benefit from the mutually created value. I will approach this question by “following the money” in an attempt to lay bare financial flows, from advance to royalty payments, initiated by a specific record release. I will further try to trace consequences from the outcomes in economic terms, both at the micro level through an examination of the content in a record contract, and at the macro level through an examination of the music industry's legal and economic governance structure that enforce Swedish copyright law. The third critical question thus reads:

3. How are the economic returns distributed between cooperating actors in a music production and what implications can be observed?

Since the magnitude of potential incomes goes way beyond the magnitude of probable costs in the field of popular music, an assumed

interest in control of value-creating activities rather than in cost-control guided my formulation of the fourth research question. It focuses on the emergence of values and control in a specific inter-organizational music production case. Aksoy and Robins (1992) who studied the success of a film product concluded that its accomplishment has little correlation to its price or cost competitiveness. Rather it depends almost completely on how well the cultural and aesthetic preferences of the consumer can be anticipated, cultivated and channeled. More so than in any other industry, a crucial undertaking in the film business, as well as in other cultural industries, is in constructing and controlling the audience's preferences. How this happens in an interorganizational setting becomes particularly interesting where multiple organizational actors are involved – where a bundle of resources and competencies ranging from composing music to marketing a commodified cultural product are integral parts of the final consumer product and its economic value in the market.

4. How are values created in interorganizational relations and what control mechanisms emerge in these interactions?

Just as cultural works are produced in concrete historical situations and within institutional frameworks by agents with different strategies and trajectories in the field, the reception of such works also takes place in specific historically constituted situations. Works hold meanings for certain groups and individuals based on their own positions, cultural needs and capacities for analysis or symbolic appropriation (Bourdieu, 1993). However, the significance of contemporary music to various consumers is unfortunately outside the scope of this study. I have delimited my research ambition to treating only what kind of music sells, gets played on the radio etc. as indicators of consumption.

A discussion of the reception of cultural works implies a consideration of the values and systems of classification brought to bear on them at different moments (Bourdieu, 1993, pp. 20–21). Classification mechanisms are closely linked to culture, norms, and values which function as informal control mechanisms (Meyer and Rowan, 1977; DiMaggio and Powell 1983).

Apart from scrutinizing norms and values in the music industry, I also seek to examine what types of artists and what types of music the classification systems promote, i.e. what sorts of music consumers receive. Perhaps rather than attempting to provide an answer, I wish to raise the question about what happens to the content and appreciation of cultural goods in general, and music in particular under the identified systems of classification and current structural conditions. Hence, the fifth and last research question includes the consumption side of the overarching research issue:

5. What classification mechanisms prevail in the Swedish popular music industry and what are their consequences?

Structure of the dissertation

This dissertation is organized into two parts. The first part of the book portrays epistemological, theoretical and methodological considerations while the second part of the book explores control in production and consumption of popular music. The dissertation's ten chapters contain in brief:

Introduction

An outline of the research issue, aim and specified research questions is formulated. I motivate the study by highlighting previous research neglect and positioning it in scientific discourse.

Epistemology

The chapter on epistemology provides a discussion of the theories adopted in the thesis from an epistemological angle. I argue for the engagement of a dialectical and reflexive approach.

Control in reciprocal relations

This first theoretical chapter presents a description of Tönnies' ideal types⁵ *Gemeinschaft* and *Gesellschaft*. It is chiefly oriented towards framing the first research question. It further reviews existing literature on interorganizational control from a Tönniesian perspective.

Theorizations of society, culture, and economy

The second theoretical chapter presents Bourdieu's sociological theory of practice and the Frankfurt School's critical perspective on the commodification of culture. Further, economic theories of value and a basic business economic perspective on conditions and demands facing organizations are also presented. The chapter ends with an adopted definition of control.

Methodology

The methodological chapter gives an account of my empirical sources and research strategies. It also brings up the issue of validity and reliability of a study with an interpretative approach.

⁵ Ideal types are distinctly separate from each other in an ideal world, i.e. in a model of reality. In practice, ideal types exist simultaneously, side by side. Tönnies referred to *Gesellschaft* and *Gemeinschaft* as normal types. However, Weber's notion of ideal types, which holds the same meaning as normal types, has come to out rule Tönnies' terminology. For the purpose of consistency, I will stick to Weber's terminology throughout the text.

The field of popular music

The first empirical chapter gives a portrayal of the popular music industry's industrial characteristics from a historical retrospective. Moreover it describes the structure of the popular music field on a global scale, including the current relational positions of majors and indies⁶ and the constructed opposition between commercial and independent music. This chapter also portrays the positions held by men and women respectively at record companies in the Swedish popular music field.

Central actors in music production

This empirical chapter gives a closer presentation of the band, the record company, and the publisher previously mentioned, and it discusses how organizations and individuals relate to business economic demands and dominating principles of legitimacy in the popular music field. This chapter further lays out musicians' and A&R's perceived objects of control and control problems. At the macroeconomic level a governance structure is in place where separate central music-producing actors' interests are represented by collective societies whose roles also will be presented here.

Control and music production

The continuing narrative in this chapter provides illustrative, thick descriptions of how responsibilities emerge and how control is established at different stages in a chain of activities that starts with the formation of a band and ends with the distribution of their music to a public audience. This chapter also attends to the issue of potential economic returns and distributive consequences.

⁶ Indie is short for independent – a record company that is not a major. “In the context of popular music, the term indie (from “independent”) is often used to refer to a number of genres, scenes, subcultures and stylistic and cultural attributes, characterized by (real or perceived) independence from commercial pop music and mainstream culture and an autonomous, do-it-yourself (DIY) approach (http://en.wikipedia.org/wiki/Indie_music).”

Control and music consumption

In this chapter I discuss classifying control mechanisms. I review their implications for the content of popular music that is presently (1999 – circa 2004) being consumed, and I also explore implications for what type of artists become signed to record companies. The form and content of this chapter will somewhat deviate from the previous structure in that I will introduce a few new theories to support my interpretations.

Concluding discussion

In the final chapter I summarize my findings and discuss the possible contribution of the study.

PART I

EPISTEMOLOGICAL, THEORETICAL, AND METHODOLOGICAL CONSIDERATIONS

EPISTEMOLOGY

Over the following three chapters the theories adopted in this dissertation will be discussed from a philosophy of science perspective. In this chapter I will talk about possibilities and limits with a critical, dialectical and reflexive way of thinking which I embrace in my research. But first, a short note on the relationship between ontology and epistemology.

On the links between epistemology, ontology, and axioms

Epistemology refers to the question of what knowledge is. What counts as knowledge varies between scientific paradigms. Different scientific ideals are prevalent within the management accounting and control discipline. While mainstream accounting research is grounded in a hypothetico-deductive scientific explanation, i.e. it is concerned with predictions, and tries to find universally applicable laws of technical control (Chua, 1986, p. 608 ff.), interpretative and critical accounting research is more concerned with understanding and interpreting the uniqueness of certain social phenomena (Chua, 1986, p. 613 ff.).

Ontological questions concern what is assumed to exist and not to exist within a specific conceptual framework, theory or system of ideas. The ontological basis has bearing upon a theory's axiomatic foundation, i.e. the taken for granted principles that serve as starting-point for argumentation and truth claims. Ontological and axi-

omatic assumptions are an explicit or implicit integral part of any scientific theory (Hopper and Powell, 1985).

In the forthcoming development of an analytical model, i.e. this thesis' conceptual framework, I will motivate my review of prior literature in axiomatic terms. Hence, I will expose what is assumed to exist, to be true, and as a consequence, what is assumed to be of value to study within different existing theories.

My research takes on an interpretative stance. I reject the position that there exists an objectively knowable social reality beyond a knowing subject. This does not contradict my belief that a physical reality exists independently from our knowledge about it. In other words, I adhere to an epistemological position of social constructionism within the confines of a realist ontology.⁷

Social constructionism

My thesis leans on a social constructionist epistemological departure point as described by Berger and Luckmann (1966). To me, the adoption of a social constructionist epistemological position followed naturally from the character of my research questions. The focus of social constructionism is to understand how individuals and groups participate in the creation of their perceived reality. It involves looking at the ways social phenomena (control being an example hereof) are created, institutionalized, and made into tradition by humans. In other words, I take on the view that social order and control are a human products.

⁷ Ontology has two meanings: 1) a branch of metaphysics concerned with the nature and relations of being, and 2) a particular theory about the nature of being or the kinds of things that have existence (Merriam Webster's Dictionary). I refer here and throughout the text to the second meaning of the word.

The social reality of everyday life is the taken-for-granted world in which we communicate and interact without much reflection. Everyday and business life rests upon norms that we share with others. The social order is rarely questioned, which is why the social reality appears to us as an objective reality. The appearance of an objective reality is the result of an institutionalization of norms and practices which in turn become internalized through primary and secondary socialization (Berger and Luckmann, 1966 pp. 129–147).

Theorizing about the social world can be a way of questioning its workings. Critical theory and reflexive sociology (which will both be brought up in the theoretical sections of this dissertation) share a conviction that researchers should take on a critically questioning stance towards all social phenomena as well as to the knowledge-production about it. But they suggest different approaches – dialectical and reflexive thinking.

The epistemology of critical theory

Whilst it is important that ethnographers recognize and respect the existence and legitimacy of different perspectives and ways of knowing which are historically and culturally specific, they should at the same time adopt a critical perspective, recognizing the power relations embedded within the research situation, and those forms of belief or perspectives that limit or restrict human freedom. (Cohen, 1993 pp. 124–125)

According to the traditional view of theory, theory is the result of those activities researchers engage in, in a sort of detached way, and it ignores speaking about what it means in human life. In contrast, according to the critical view of theory, theory is not self-sufficient and independent. In critical theory, constructive and dialectical thinking plays a more important role than does empirical verification (Horkheimer, 1972).

Horkheimer points to some characteristic traits of traditional theories (induction, empiricism, objectivity, mathematical and logical reasoning), and explain why these theories are not sufficient in explaining social and scientific change. As an example, sheer logic alone cannot explain why new classifications in science out-rule old ones.

Whether and how new definitions are purposefully drawn up depends in fact not only on the simplicity and consistency of the system but also, among other things, on the directions and goals of research. (Horkheimer, 1972, pp. 195–196)

Horkheimer further states that in the social division of labor, the researchers' role is to integrate facts into conceptual frameworks, and to keep them up to date so that researchers master the widest possible range of facts.

According to Adorno (1973) the epistemological ground of a critical theory is dialectical thinking. Dialectical thinking means being perceptive of society's contradictions. The only way to expose these antagonisms is to think against thought, in other words, to think in contradictions.

To proceed dialectically means to think in contradictions, for the sake of the contradiction already experienced in the object [Sache], and against that contradiction. A contradiction in reality, [dialectics] is a contradiction against reality. (Adorno, 1973, pp. 144–145)

Tönnies' theories of *Gemeinschaft* and *Gesellschaft* suggest a dialectical perception of society. However, it should be emphasized that Tönnies does not perceive *Gemeinschaft* and *Gesellschaft* as strictly incongruent terms – a matter I will return to in a later chapter.

Horkheimer argues the dispersion of critical theory will lead to more conscious scientists, but he suspects the transformation of critical theory to a sociology or to a practice is going to be a difficult

task. Pierre Bourdieu was one of the researchers who took up this task.

The epistemology of reflexive sociology

Similar to Horkheimer's critique against what he refers to as traditional theory, Bourdieu (1994 p. 65) reminds us how Wittgenstein pointed out that mathematical truths are not universal truths that just pop out of the human brain, but historical products of specific practices that have been accomplished according to the rules of a particular, social, scientific paradigm (Kuhn, 1996[1962]) or research program (Lakatos, 1997[1970]).

There is no objective vantage point from which a researcher can observe the social world s/he studies. This puts demands on the researcher to be reflexive, i.e. to be aware of her/his epistemological stance; of how the research is carried out, and of how that affects the outcomes of the research. Whilst most commonly associated with the disciplines of sociology and ethnography, reflexivity is emerging as an important concept for qualitative researchers within the field of management research (Nadin and Cassell, 2006).

As the title suggests, *An Invitation to Reflexive Sociology* (Bourdieu and Wacquant, 1992) is an attempt to summarize Bourdieu's main theory and method in a welcoming manner for the uninitiated. For Bourdieu it is necessary that sociological research is rooted in the practices of the real, messy world; without reflexivity social science risks becoming an intellectual puzzle. Science should not be some sort of scholastic enterprise occupied with the creation of abstract theories. The task of sociology according to Bourdieu is

[...] to uncover the most profoundly buried structures of the various social worlds which constitute the social universe, as well as the 'mechanisms' which tend to ensure their reproduction or their transformation. (Bourdieu and Wacquant, 1992, p. 7)

This is an aim that I share in my research. In the methodology chapter I will discuss how I have applied reflexivity as a tool to substantiate the knowledge claims of my own research.

Engaging dialectical and reflexive thinking

The epistemology of critical theory directs attention to the import of being aware of society's contradictions (dialectical thinking), and the epistemology of Bourdieu's sociology urges researchers to be aware of their own biases (reflexive thinking). In this regard these epistemologies are complementary.

Bourdieu's critique of theoreticism implies that one cannot grasp social reality without getting one's hands dirty, while Adorno's critique of scientism implies that subscribing to an epistemological principle may not be enough to escape the erroneous representations of social reality.

In an attempt to read Bourdieu with Adorno, Karakayali (2004) seeks out the limits of both critical theory and reflexive sociology. Karakayali claims the differing approaches of Bourdieu and Adorno might constitute a fruitful starting point to tackle a general problem concerning the role of reflexivity in social research. He tries to show that Adorno's critique of scientism brings in to focus some of the limitations of reflexive sociology with respect to the project of a critical social science. Conversely, Bourdieu's critique of intellectualist bias underlines the potential risks of a theoretical critique as practiced by Adorno (Karakayali, 2004, pp. 352–353).

Karakayali writes that to understand how social reality is alterable entails the possibility of imagining a different society, and therein lies the significance of a reflexive approach. However, for Adorno reflexivity is not a major epistemological principle in moving from a pre-scientific to a scientific sociology. The absence of reflexivity –

that is, maintaining a certain naivety – can even be an asset, Adorno argues.

A thought does not necessarily become more ‘true’ because its ‘author’ understands it better. In Kafka, as well as in Weber, some of the most valuable ideas are those that remain opaque to their ‘creators’. (Adorno, 1981; 2000, p. 121; qtd. in Karakayali, 2004, p. 356)

Karakayali concludes that there is more room for practice but less room for imagination in reflexive sociology than in critical theory. He criticizes Bourdieu’s work for lacking a vision, and in criticizing Adorno’s project, Karakayali brings up the example of Adorno’s work on popular music. The problem with this work is not so much with Adorno’s pessimistic portrayal of the cultural industries, or with his (in)famous distaste for popular music, but with his analytical approach as consisting of adopting categories derived from art music to analyze popular music. Adorno hereby disregards the social context in which pop music is experienced and tied to various social movements (Gendron, 1986). According to Adorno, simple musical structures lead to regressive social experiences – but this is a blatant example of the subordination of the concrete to the abstract, which in Bourdieu’s words would mean reading the logic of theory into the logic of practice (Karakayali, 2004, pp. 362–363).

In my own research, I will try to be rigorous and imaginative at the same time by aiming at breaking a path between critical theory and reflexive sociology through the adoption of Tönnies’ and Adorno’s dialectical and critical theories and Bourdieu’s reflexive theory of practice. The next two chapters focus in on their theories.

CONTROL IN RECIPROCAL RELATIONS

Some things in life can be satisfactory carried out in solitude, yet other things require interaction and involve relations with others. The composition of a piece of music could be an example of both the former and the latter, but the production of a popular music record for a larger audience, which this dissertation examines, is under any circumstance an example of the latter.

In a business venture like a music production project, people join forces to create something together, but also to pursue personal ends. Cooperation and conflict co-exist in music production. This chapter starts developing a theoretical framework that can help analyzing control mechanisms in these types of relations.

The chapter is divided into three sections. It begins at a general, abstract level discussing demands and performances in reciprocal relationships. Thereafter it moves on to an exposé of Tönnies' theoretical precursors and followers, followed by a review of prior empirical studies of control in reciprocal relations. The chapter concludes with a summarizing figure of my conceptualization of control in reciprocal relations.

Gemeinschaft and Gesellschaft

Gemeinschaft und Gesellschaft, originally released in 1887,⁸ has been counted as the most important work by Ferdinand Tönnies, a German intellectual who was interested in the question of what unites people in society. Like Weber, Tönnies advocates that all human relations are based on reciprocity, i.e. on mutual relationships between demands and performances. These relationships, the argument goes, are constitutive of any social unit, and they can be understood in different ways and hold different meanings. Tönnies uses the terms *Gemeinschaft* and *Gesellschaft* to portray two diverse ideal types of social formations. In *Gesellschaft* the reciprocity of demands and performances is tied to the idea of exchange for privilege. This is one of the fundamentals of profit-seeking corporate organizing. In *Gemeinschaft* the idea of reciprocity can be likened to the character of demands and performances present in a relationship between parent and child.⁹

The subsequent presentation is in large parts based on Swedish social psychologist and cultural sociologist Johan Asplund's (1991) interpretation of Tönnies' classical *Gemeinschaft und Gesellschaft*.

An analytical dialectical model

The notions of *Gemeinschaft* and *Gesellschaft* would be superfluous if the distinction between them could easily be explained by semantic correspondence, for example, to the English translations *community* and *market*. Therefore, in Asplund's portrayal of the theory of *Gemeinschaft* and *Gesellschaft*, the German terms are left

⁸ First translation to English by Loomis, C. P.: *Community and Association* (London, 1957).

⁹ Tönnies speaks notably about the bond between mother and child but I believe the parts of Tönnies' writing that relate to the status and role of women in the marriage and family cannot be taken seriously. These parts of his theory have become utterly outdated.

non-translated. In order to mediate their meaning, Asplund presents instead, in the form of short essays, a number of illustrative examples of the ideas both theoretical constructs bear upon. These essays reveal the underlying assumptions of both structure and agency in *Gemeinschaft* and *Gesellschaft*. In the following subsections I will elaborate on Asplund's suggested dialectical understanding of *Gemeinschaft* and *Gesellschaft*, but I shall start with a presentation of my reading of Tönnies' original text. My focus will be on the characteristics of each separate ideal-typical organizing form that has an import on understandings of control.

Gemeinschaft is to be understood as a natural social unit. In *Gemeinschaft* relations build on intimacy and sometimes purposeless but not meaningless interaction. With regard to the character of control, we touched earlier upon the cohesive aspect of family bonds. Kinship bonds provide a similar example where trust is a trait of the interaction, and solidarity is one of the prominent governing principles. In *Gemeinschaft*, personal relationships are rooted in pleasure and shared memories and they are defined and regulated on the basis of traditional rules and habit (Tönnies, 2001 [1887] pp. 22–29).

Gesellschaft in English translations is described as something artificial, but the negative connotation is unfortunate. My interpretation of Tönnies' portrayal suggests a perception of *Gesellschaft* as something man-made or constructed because, as Tönnies argues, all relations in *Gesellschaft* originate from intentionality. The social order is based on voluntary agreements between individuals who are preoccupied with exchange, and exchange is regulated by contracts (Tönnies, 2001 [1887] pp. 58–60).

In *Gesellschaft*, each and every individual represents no one but her/himself. Thus, in *Gesellschaften*, there will always be a tension between separate individuals, since the scopes of possible actions and the power spheres of different individuals are separated and distinct from each other. No one does anything for anyone else or

adjudges anything to anyone else except under circumstances of fair exchange (Tönnies, 2001 [1887] p. 52).

Since *Gesellschaft* is based on intention, the character of the will in *Gesellschaft* is different from the character of the will in *Gemeinschaft*. In *Gesellschaft* individuals carry an arbitrary/rational will (*Kürwille*). The arbitrary will embraces the purpose of an action – a goal to be reached, and means chosen to reach this goal. The essence of the will in *Gemeinschaft* is intrinsic and has no reference to choice and intent. Tönnies labels this type of will essential/natural will (*Wesenwille*) (Tönnies, 2001 [1887] p. 95). According to Tönnies, the principle of change is inherent in the contradictory or dialectical quality of human nature which is based on communal or shared feelings but disturbed by arbitrary will (Cahnman, 1968).

According to Asplund, the most radical distinction between *Gemeinschaft* and *Gesellschaft* lies in the character of communication and language. It is important to note that *Gesellschaft* builds on *Gemeinschaft* in this fundamental aspect.

The language in *Gesellschaft* is instrumental. Here, language is a separate tool that may be used for different purposes. However, understanding between people cannot be constructed or produced through agreements and conventions. This is why actions of language in *Gesellschaft* presuppose that people understand each other. The contract, which is the typical action of *Gesellschaft*, presupposes that the parties already understand each other, and that they share a common language. (Asplund, 1991 pp. 68–69, my translation)

Asplund makes a distinction between *gestalts* and discourses/texts. This distinction is similar to the one between thinking and language. The notion of a *gestalt* can work as a helpful construct in discussing the relationship between understanding and translation. Asplund states:

If a speaker of the language A develops a discourse in his/her language, and a speaker of the language B develops a discourse in his/her language, both speakers are able to understand each other, even though the languages A and B might be mutually impossible to translate, under the condition that their discourses have developed with origins in gestalts that they both dispose of. However if a speaker develops a discourse with origins in a gestalt that the other speaker does not dispose of, understanding becomes impossible – even though the languages A and B, like for example Italian and French, happen to be mutually possible to translate. In line with this argument it is just as probable that two speakers of the same language, for example Swedish, may not be able to understand each other. (Asplund, 1991 pp. 15–16, my translation)

Asplund claims that speakers of numerous languages share the *Gemeinschaft/Gesellschaft* gestalt. In the text that follows, I will refer to this gestalt as the *GG Model*. Asplund further argues that the GG Model is a Western common good, and that as such it can be valuable in understanding contemporary societal phenomena. Moreover, the GG gestalt is particularly prominent in the production and consumption of music (Asplund, 1991 p. 13).

Asplund's argument is fundamental to the use of Tönnies' theorizing in this thesis. By help of the GG Model I can explore whether there seem to be, and why there seem to be, an understanding or a lack of understanding between actors in the music industry. A further argument for a GG dialectical model is that the adoption of a pure *Gesellschaft* theory¹⁰ would not have fitted the purposes and underlying epistemological assumptions of this thesis since such a theoretical perspective's focus would be on rational actions (in Weber's sense). Nor would a sheer *Gemeinschaft* theory had been sufficient since it would have been delimited from rational actions

¹⁰ For now, let us just say that agency theory or transaction cost theory can be seen as examples of *Gesellschaft* axiomatic theories. I will return to the arguments for this claim in a later section.

and behaviors that to a large extent originate from business economic conditions and demands.¹¹

The Gemeinschaft/Gesellschaft dialectical perspective will be applied not only to my own empirical study, but I will also use a Tönniesian lens to review previous literature on control in reciprocal relations, meaning that I will scrutinize whether previous research has been conducted from Gesellschaft axiomatic or GG dialectically theoretical departure points. But before I turn to that task in the next section, let me first present a closer look at some of the GG Model's basic features.

Dialectical understanding

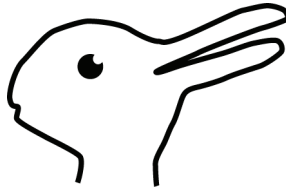
To begin with, Asplund points out that Tönnies seems to propose three claims about Gemeinschaft and Gesellschaft that hold true at the same time (Asplund, 1991, p. 42):

- 1) Gemeinschaft and Gesellschaft are theoretical notions or constructs.
- 2) As such, the two notions are mutually exclusive.
- 3) A Gemeinschaft is never a pure Gemeinschaft, but always contains Gesellschaft impregnated features and vice versa.

One way this can logically work out is through the perception of the GG Model as a "fixation picture" similar to Wittgenstein's famous duck/rabbit figure. The elements that make up the duck are exactly the same elements that make up the rabbit. While both are present in the complete figure, sense can only be made out of the picture either as a duck or a rabbit.

¹¹ I shall hedge this claim admitting that I have never, within the field of interorganizational governance and control, found any research conducted from what could be categorized as a Gemeinschaft theory alone.

Figure 1: Wittgenstein's duck/rabbit



As a consequence, all phenomena in *Gesellschaft* and *Gemeinschaft* respectively must be understood in completely different ways. Concepts and ideas like freedom and constraint, equality and inequality, rights and duties, male and female, take on different meanings in *Gemeinschaft* and *Gesellschaft*. Let me exemplify by illuminating the different meanings of conflict in the theories of *Gemeinschaft* and *Gesellschaft*. Conflict is the organizing principle of *Gesellschaft*. Contracting partners are latently at war, which is the same to say that every contract may be seen as a peace treaty (Tönnies, 2001 [1887] p. 65). With regards to *Gemeinschaft*, it is not at all free from conflict. On the contrary, it is constantly tormented by conflicts, but at the same time conflict is best understood as the seamy side of *Gemeinschaft*. It could not be said about *Gesellschaft* that it is “tormented” by conflict because *Gesellschaft* is conflict. While people in *Gemeinschaft* are united despite all the divergent factors, in *Gesellschaft* they are diverted despite all the uniting factors (Tönnies, 2001 [1887] p. 52).

In the forthcoming account on how control mechanisms in the popular music industry can be understood, my line of argument will be that there are two pictures in one in music production – possibly also in music consumption. I will try to discern the dialectical difference in the popular music industry between the opposing two figures of *Gemeinschaft* and *Gesellschaft* and their corresponding features of control. I don't expect real life elements to be as perfectly overlapping as in the sketch lines in the duck/rabbit drawing above, yet I believe the GG Model will be helpful as an ideal-typical analyt-

ical tool providing a root metaphor that can help interpret how control is created in collisions between *Gemeinschaft* and *Gesellschaft*.

Moving on to present the forerunners and followers of Tönnies' ideas, I will proceed to a section on the theoretical affinities of *Gemeinschaft* and *Gesellschaft*. Thereafter, in two following subsections, I will review a select few empirical studies from a Tönniesian perspective.

The theoretical affinities of *Gemeinschaft* and *Gesellschaft*

Tönnies' notions of *Gemeinschaft* and *Gesellschaft* build on sociological as well as psychological theoretical foundations. They are made up partly of a social, economic theory inspired notably by Hobbes and Marx, and partly of a theory of human behavior based on assumptions about the nature of the will which can be traced back to the philosophies of Schopenhauer and Nietzsche (Falk, 1999). Further, Weber's ideal types of human action (listed below) can be correlated to the concepts of rational and natural will in the GG Model. According to Weber (1983 [1922] p. 18) social action can be:

- 1) Goal rational, i.e. rational behaviors with regard to calculated means and ends.
- 2) Value rational, i.e. behaviors founded in conscious ethical or religious belief; behavior is valuable as such, regardless of its outcome.
- 3) Affective, i.e. behaviors contingent upon the actor's emotional situation.
- 4) Traditional, i.e. behaviors governed by ingrained habits.

Asplund (1991, p. 27) correlates Weber's goal rational actions with *Gesellschaft* and value rational, affective, and traditional actions with *Gemeinschaft*.

The Marxist inspiration shines through most clearly in the conception of work and value in *Gemeinschaft* and *Gesellschaft*. Inspired by the conceptual separation between *use value* and *exchange value* (identified with Marx, initially employed by Adam Smith),¹² Tönnies claims that the value that results from work in *Gemeinschaft* differs from the value of work produced in *Gesellschaft*. In *Gemeinschaft* people work, in *Gesellschaft*, strictly speaking, they don't. They strive for profit. Tönnies claims that profit is the necessary and exclusive motive for the freely and rationally acting businessman/woman (1957 [1887] p. 80). Profit is not an intrinsic value but an alteration in the distribution of wealth: a plus for one means a minus for the other (Tönnies, 2001 [1887] p. 68).

While inspired to a certain extent by Marxism, Tönnies breaks with the utopian idea of how in the end the capitalist system should collapse under the revolution of the labor force. Tönnies did neither engage in, nor take a stand in the discussion of *Gemeinschaft* contra

¹² Marx elaborates on the notion of value in *Das Kapital*. But it was Adam Smith who first employed the terms "use value" and "exchange value" in *The Wealth of Nations*: "The word value, it is to be observed, has two different meanings, and sometimes expresses the utility of some particular object, and sometimes the power of purchasing other goods which the possession of that object conveys. The one may be called 'value in use'; the other, 'value in exchange'. The things which have the greatest value in use have frequently little or no value in exchange; and, on the contrary, those which have the greatest value in exchange have frequently little or no value in use. Nothing is more useful than water: but it will purchase scarce anything; scarce anything can be had in exchange for it. A diamond, on the contrary, has scarce any value in use; but a very great quantity of other goods may frequently be had in exchange for it." (Smith, 1937 [1776] qtd. from the website <http://www.marxists.org/reference/archive/smith-adam/works/wealth-of-nations/book01/ch04.htm>)

Gesellschaft as ideal societies.¹³ As Deflem (2001) points out, Tönnies did not conceive of the evolution from Gemeinschaft to Gesellschaft in linear terms, as rationalist and materialist thinkers like Hobbes and Marx did. Instead, Tönnies was of the opinion that any society is always to some degree both Gemeinschaft and Gesellschaft.

However, in more than one sense, and also in Tönnies' view, Gemeinschaft precedes Gesellschaft. Gemeinschaft is pre-modern, primitive and rural. Gesellschaft is modern and urban. Through numerous examples of historical societal changes such as industrialization, urbanization, civilization processes, and technological development, the transformation of Gemeinschaften into Gesellschaften becomes apparent.

Pre-modern societies are, according to the French sociologist Émile Durkheim (1964 [1933]), characterized by a collective consciousness which makes people similar to each other. These societies are undifferentiated and held together by mechanical solidarity founded on likeness between people. Durkheim observed that the development of modern society goes hand in hand with a weakened collective consciousness. The growth of individual consciousnesses gives rise to higher levels of specialization among people, and people's differences are made use of in the division of labor. As a consequence, mechanical solidarity changes character into what Durkheim calls organic solidarity. Organic solidarity arises from the interdependence that specialization of work and complementarities between people create, and the term makes reference to the interdependence of a human body's organs which is a necessity for its functionality. Thus,

¹³ Asplund claims that while Marx and Engels proclaimed the communistic society, it is unclear whether they thereby advocated a universal Gemeinschaft or a universal Gesellschaft (Asplund, 1991 p. 28). Asplund believes they proclaimed the dissolution between Gemeinschaft and Gesellschaft, and further suggests that the antagonism between Gemeinschaft and Gesellschaft constitutes Marxism's unsolved problem (ibid., p. 31).

according to Durkheim, the transformation of societies from pre-modern to modern stages does not mean a complete extinction of solidarity among people, but a change in the type of solidarity.

Even though historical development shows a move from *Gemeinschaft* to *Gesellschaft*-like societies, it has not been to the full detriment of *Gemeinschaft*. Support for this Tönniesian thesis can also be found in the writings of Durkheim:

It is quite true that contractual relations, which originally were rare or completely absent, multiply as social labor becomes divided. But [...] non-contractual relations develop at the same time. (Durkheim, 1964 [1933] p. 206)

And contemporary writer Francis Fukuyama takes a more normative approach to the idea:

Law, contract, and economic rationality provide a necessary but not sufficient basis for both the stability and wealth of modern civilization. Formal governance mechanisms must be leavened with reciprocity, moral obligation, sense of duty toward community, and trust, which are based in habit rather than rational calculation. The latter are not anachronisms in a modern society but rather the *sine qua non* of the latter's success. (Fukuyama, 1995 p. 11)

The parallel between *Gemeinschaften* and *Gesellschaften* and communal and capitalistic societies motivates a return to Weber. In line with Tönnies, Weber noted that communal actions have a structure and “laws of their own” (*Eigengesetzlichkeit*) – that is, laws other than those followed by the economy (Kippenberg, 2005). Although economic factors are, in Weber's account, often of decisive causal importance for communities and communal actions, conversely the economy is also influenced by the autonomous structure of communal action (Kippenberg, 2005, p. 174).

Weber claims that processes of rationalization impinge on the sphere of communal action or community. To a large extent, it

represses those value grounds for behaviors that are to be found at the bottom of Weber's rationality hierarchy (i.e. traditional behaviors). This was illustrated in Weber's analysis of the origins of capitalism which was published in *The Protestant Ethic and the Spirit of Capitalism*.¹⁴

To begin with, Weber's analysis of the origin and spirit of modern capitalist society rejects the naïve idea that the essence of capitalism spells greed. The capitalist does not show more signs of greed than the artist or the bishop. These professions (like all others) work under bureaucratic rules of administration, and Weber argues that the struggle for effectiveness, productivity, profit maximization and better book-keeping are systematic expressions of prevailing societal norms grounded in a Protestant ethic (Weber, 1986 [1920–1921]).

Weber (1978 [1904–1905]) observed that early capitalism developed in areas of Europe which had also gone through a religious reformation. The religious reformation brought about an abandonment of traditional values among many people through the proposition of the value rational idea of being saved. Now, whether guided by a Calvinistic belief in God or by the glorious promises of Mammon, human behaviors were still guided by rational action – value rational behavior in the former case, goal rational in the latter.

For the transition from a communal/pre-capitalistic to a capitalistic society to take place, it was necessary that people's behaviors change. It was crucial to the development of capitalism that there be a presence of ascetic, Protestant ideals not to spend irrationally as had been the case in the former feudal era, but to re-invest any capital gains for the pursuit of further profits. Weber points out how people were able to start behaving differently, which basically meant abandoning traditional behaviors, and how capitalism could get a foothold, because of the influence of the Protestant ethic. When capitalism eventually became established, then there was no longer

¹⁴ Released in Swedish translation in 1978.

a need for value rational grounds for behaviors, and subsequently, they started fading away (Weber, 1978 [1904–1905]).

In conclusion, through an examination of the theoretical affinities of the theories of *Gemeinschaft* and *Gesellschaft*, it has been elucidated how *Gemeinschaft* and *Gesellschaft* are related to each other. In a transition from the former to the latter, the types of solidarity and rationality changes. Weber's study of the development of modern capitalism also showed that the spreading of *Gesellschaft* similarly meant the spreading of goal rationality to the detriment of other types of rationality.

How do these matters stand in contemporary business life? Adler et al. (forthcoming 2007) argue that the emergence of a "collaborative community" will take place as a result of the concurrent forces of *Gemeinschaft* and *Gesellschaft*. Their argument is illustrated with material on interprofessional relations within the medical discipline. In an endeavor to expand Tönnies' theories,¹⁵ Sjöstrand (1992) identifies six basic institutions, or rationality contexts, for human exchanges in society. Actions of individuals are not only rational in the calculative, technical-economic sense, as in *corporations* or *markets*, but they are also, at the same time, strongly influenced by moral considerations, values or ideals. Hence, interaction rationales may also be ideational, as in *associations* or *social movements*, or they may be genuine, as in *clans* or *circles of friends*. Sjöstrand emphasizes that the six basic institutions and their associated interaction rationales are ideal types. In a practical situation all of the above appear simultaneously. In a later work by Sjöstrand (1997) the

¹⁵ Notably by building on Polyani, K. (1964) *Primitive, Archaic and Modern Economies*. Garden city: Beacon; Butler, R. (1983) "Control through Markets, Hierarchies and Communes" In *Power, Efficiency and Institutions*, ed. A Francis et al. London: Heineman; Habermas, J. (1978) *Knowledge and Human Interest*. London: Heinemann; Habermas, J. (1984) *The Theory of Communicative Action*, vol. 1. London: Heinemann; Habermas, J. (1987) *The Theory of Communicative Action*, vol. 2. Cambridge: Polity Press; Etzioni, A. (1988) *The Moral Dimension: Towards a New Economics*. New York: The Free Press.

affirmation of these contradictions in practice is referred to as Janusian rationality.

The preceding section of this chapter showed that the essence of social and psychological phenomena in *Gemeinschaft* differs essentially from its counterparts in *Gesellschaft*. Even to be a human – or an acting human being – is one thing in *Gemeinschaft*, another in *Gesellschaft* – cf. the connotation of comrades and exchanging partners. Do not however, read into my text, a bias against *Gesellschaft*. I very well acknowledge the existence of both functioning markets and dysfunctional families.

Before moving on to the next subsection, we must remember Asp-lund's distinction between speaking the same language and understanding each other. Even though researchers may speak the same language and use the same words – “network” and “control” for example – they may have very difficult times understanding each other if they don't share ontological and epistemological grounds. The next subsection presents a critical review of research that leans upon ontological and epistemological standpoints that do not make plain a *Gemeinschaft*/*Gesellschaft* dialectic, at least not in its axiomatic assumptions.

Gesellschaft axiomatic studies

The fact that the majority of the published research concerned with control in interorganizational settings uses agency theory or the transaction cost framework (Håkansson and Lind, 2007) motivates an exposition of these approaches' axiomatic origins. I will open up with a presentation of these origins and continue with a presentation of how the *Gesellschaft* foundations have been used but also questioned by later studies: The first example is an organizational study by Ouchi (1980); the other is a study from the field of management control by Dekker (2004).

Coase (1937), the founding father of transaction cost economics, lays out an argument for an efficiency rationale explaining why we observe different organizational forms, such as markets and hierarchies, in a specialized exchange economy. Coase suggests that the market's price mechanism, which is the controlling function with regard to fairness in the exchange, implies a cost. The largest component of this cost is the cost of establishing relevant, equitable prices between contractual partners; another cost component is, for example, the cost of establishing short-term contracts. Therefore, to write an ultimate, complete contract would be too costly. Because of these prevailing circumstances, hierarchies exist, Coase argues. Williamson (1975) suggests the notion of 'market failure' to explain why hierarchies develop. Given the transaction costs of the market, bureaucracies develop because they mediate exchanges more efficiently. Particularly, Ouchi (1980) adds, hierarchies mediate exchanges most efficiently under circumstances of moderately high levels of goal incongruence and performance ambiguity.

Ouchi argues that the bureaucratic organization has two principle advantages over the market relationship; the first one being its use of the employment relation, which is an incomplete contract. Under an employment contract the worker submits to the organization's legitimate power to direct his/her work activities from day to day through managing superiors (hereby the problem of dealing with future eventualities is overcome). Superiors will also be allowed to closely monitor the employee's performance (hereby minimizing the problem of opportunism subsumed in the market's framework). In exchange for this submission, the worker can expect a wage.

Second, Ouchi claims that the bureaucratic organization can create a more trustful environment between the parties to an exchange than can the market. Because members of an organization take some level of shared aims for granted, and because they learn that long-term relationships will reward good performance and punish poor performance, goal congruence will be developed over time.

This diminishes their opportunistic tendencies and thus the need for monitoring their performance (Ouchi, 1980).

Ouchi then moves on to extend Williamson's market failure framework by adopting the notion of clans which, he argues, develop as a result to both failing markets and hierarchies.

A bureaucratic organization operates fundamentally according to a system of hierarchical surveillance, evaluation, and direction. In such a system, each superior must have a set of standards to which he can compare behavior or output in order to provide control. These standards only indicate the value of an output approximately, and are subject to idiosyncratic interpretation. People perceive them as equitable only as long as they believe that they contain a reasonable amount of performance information. When tasks become highly unique, completely integrated, or ambiguous for other reasons, then even bureaucratic mechanisms fail. (Ouchi, 1980 pp. 134–135)

Ouchi provides one of the early arguments for perceiving of a clan as a distinct organizational mode. It is a hybrid organizational form which is neither market, nor hierarchy. According to Ouchi, the relationships between individuals who constitute a clan are founded on a high degree of goal congruence, a shared understanding, and a sense of fairness and trust. These attributes direct members to act in a coordinated manner with minimal levels of bureaucratic control. Further on the description of the control features of clans, Ouchi states:

Although clans may employ a system of legitimate authority (often the traditional rather than the rational-legal form), they differ fundamentally from bureaucracies in that they do not require explicit auditing and evaluation. Performance evaluation takes place instead through the kind of subtle reading of signals that is possible among intimate coworkers but which cannot be translated into explicit, verifiable measures. (Ouchi, 1980 p. 137)

Ouchi labels *market*, *bureaucracy*, and *clan* “modes of control” as a result of an earlier study in which he concludes that structure and control are inextricably linked (Ouchi, 1977).

Based on the argument for the GG dialectic, illustrated in the preceding chapter, I don’t think the underlying efficiency rational (the transaction cost argument) for the existence of different organizational forms in Ouchi’s, Coase’s, and Williamson’s portrayals, gives us a complete picture. Nevertheless, Ouchi’s empirical observations can actually be interpreted as illuminating a need for a GG Model to explain control under particular organizational circumstances that can neither be labeled as “market,” nor as “bureaucracy.” Let us recap that Tönnies emphasizes the role of common values and beliefs in *Gemeinschaft*, and that one of the primary control mechanisms in *Gemeinschaft* was said to be traditions and habits. Ouchi proposes that *Gemeinschaft* features are characteristic of clans.

As far as I’m concerned, Ouchi’s results strengthen the case for a GG dialectical model to interpret patterns of control in interorganizational relationships. The same can be said about Dekker’s (2004) empirical study of control in interorganizational relationships.

Dekker (2004) argues that two control problems arise when firms engage in interorganizational relationships. The first problem relates to the management of appropriation concerns and the second to the coordination of tasks. In developing a framework for analysis of control mechanisms used to manage these problems and their interrelationships with informal, trust-based mechanisms, Dekker acknowledges that transaction cost economics (TCE) is an insufficient departure point due to its singular focus on the notion of opportunism and its lack of attention to social controls. The explanatory power of the framework is further assessed by a case study of a strategic alliance between a buyer and a supplier of railway safety equipment. The empirical study describes the context, initiation, and formal contract of the alliance and discusses how goals are negotiated and how a financial incentive system is put in place to

motivate an alignment of interests. The formal control structure of the alliance consisted of a mixture of outcome and behavior control mechanisms, while partner selection and trust were identified as important parts of the alliance's informal governance structure.

Dekker departs from TCE, but asserts that there are limits to such an analytical frame.

The findings suggest that using transaction cost economic reasoning only would provide an insufficient explanation of the alliance's formal governance structure. (Dekker, 2004 p. 46)

Interviewees in Dekker's study suggested that the reason for creating an informal governance structure was not transaction costs, but because it could help in guiding where the alliance should be heading and how to achieve its goals. Theorizing from the empirical results, Dekker thus abandons the likelihood of a pure *Gesellschaft* theory as a satisfactory explanation of interorganizational governance structures.

Gemeinschaft/*Gesellschaft* dialectical studies

Powell (1990) presents a different story of the origin of the network organizational form. After having reviewed earlier empirical research on networks including examples from the film and recording industries, Powell concludes that only in a minority of cases can it be reasonable to maintain that the genesis of network forms is driven by a concern for minimizing transaction costs. Powell even claims that many of the observed network arrangements increase transaction costs significantly; however in return they offer real benefits or intangible assets that are perceived as far more valuable. Other motivating network advantages Powell mentions are reduction of uncertainty, fast access to information, reliability, and responsiveness. Networks will take form when whatever is exchanged between buyers and sellers possesses qualities that are not easily measured, when relations are long-term and recurrent, and when

there is interdependence but no common ownership or legal framework. Sanctions are typically normative rather than legal, and rather than short-term bargaining, common practices amount to creating indebtedness and reliance over time.

Surely this patterned exchange looks more like a marriage than a one-night stand, but there is no marriage license, no common household, no pooling of assets. (Powell, 1990 p. 301)

Powell's suggested origin of the network form bears the consequence that an exclusive focus on the transaction is misplaced. Instead of the exchange or the transaction, the *relationship* should be the primary object of analysis, and it should be understood within its social, political, and historical context (Powell, 1990, pp. 322–323). Powell's work contributes to an improved theoretical understanding of networks from a *Gemeinschaft*/*Gesellschaft* dialectical perspective. The same holds true for Granovetter's (1985) seminal article on embeddedness.

Granovetter's embeddedness argument can be interpreted as an approach to handle the acknowledgement of *Gemeinschaft* in *Gesellschaft*, and vice versa. Granovetter states that he is interested in economic behavior, which he claims “[...] aims not only at economic goals but also at sociability, approval, status, and power (p. 506).”

The notion of embedded economic behavior should be interpreted as broad enough to incorporate all of Weber's four ideal types of action that were associated with *Gemeinschaft* and *Gesellschaft* in the previous section. The GG gestalt is also clearly visible already in Granovetter's introduction of the notion of embeddedness:

This article concerns the embeddedness of economic behavior. It has long been the majority view among sociologists, anthropologists, political scientists, and historians that such behavior was heavily embedded in social relations in pre-market societies but became much more autonomous with modernization. This view sees the

economy as an increasingly separate, differentiated sphere in modern society, with economic transactions defined no longer by the social or kinship obligations of those transacting but by rational calculations of individual gain. It is sometimes further argued that the traditional situation is reversed: instead of economic life being submerged in social relations, these relations become an epiphenomenon of the market. (Granovetter, 1985 p. 482)

Granovetter's own view diverts from both schools of thought referred to in the previous quotation. He asserts that the level of embeddedness of economic behavior is lower in non-market societies than is claimed by 'substantivist' and development theorists,¹⁶ and that it has changed less with modernization than these theorists believe. But at the same time, this level has always been, and continues to be more substantial than is allowed for by formalists and economists.¹⁷ (Granovetter, 1985, pp. 482–483)

Granovetter thus criticizes both under- and oversocialized views of human behavior for being flawed in their assumption that action and decision should be carried out by "atomized actors," i.e. separated from their immediate social context. Further, when any analyzed set of individuals – usually dyads, occasionally larger groups – is abstracted out of social context, it fails to acknowledge the influence on individuals and/or groups from that of other groups and from past relations.

The embeddedness approach to the problem of trust and order in economic life, then, threads its way between the oversocialized approach of generalized morality and the undersocialized one of impersonal, institutional arrangements by following and analyzing concrete patterns of social relations. (Granovetter, 1985, p. 493)

Granovetter concludes, after having argued against Williamson's markets and hierarchies dichotomy, that whether order and disorder

¹⁶ Granovetter refers to Karl Polyani and Edward Palmer Thompson.

¹⁷ Here Granovetter's main target is Oliver Williamson.

der, honesty and malfeasance occur depends more on the nature of personal relations and networks of relations between and within organizations than on organizational form (i.e. market or hierarchy). Powell and Granovetter thus point to the importance of trying to get a deeper understanding of the relationships formative of network structures, without sacrificing the broader understanding of the surrounding environment and its effect on these relations. In this regard, I believe Powell and Granovetter can help broaden our perspective on control as represented in mainstream financial and management control research.

I would like to bring up two other empirical studies outside of the management control field that also aim at a better understanding of governance of dyadic relationships (Larson, 1992), and embedded ties in networks (Uzzi, 1997). The purpose of Larson's exploratory ethnographic study is to look at network structures in entrepreneurial settings and to examine how control is exercised in these settings. She picks up on one of Powell's (1990) questions for future research: "Do participants in network arrangements face novel problems of control?" Uzzi, who applies Granovetter's embeddedness argument to an empirical study of the clothing industry, draws on ethnographic fieldwork conducted at 23 entrepreneurial organizations to illuminate the procedures by which embeddedness shapes organizational and economic outcomes.

Both Larson's and Uzzi's research show that the information shared in the embedded ties extends way beyond price data. Larson observes the construction of three phases in dyadic interorganizational relationships: a first phase which specifies preconditions for exchange, a second phase in which conditions to build the exchange structures are established, and a third phase where activities are integrated and controlled. Formal contracts, which might be expected to provide control in the third phase, were only rarely discussed by the informants. The few corporations that applied formal contracting discounted their relevance. Instead interviewees kept coming

back to the importance of trust which resulted from the honesty that partners had showed each other in the past. Organizations were highly dependent, which implied serious economic risks, but because the history of the interactions indicated that the probability of opportunism and malfeasance was low, the organizations perceived of the risks as controllable. Uzzi's study, which focuses on the importance of third-party referral networks in the formation of embedded ties, similarly points to the significance of previous relationships in establishing a confident ground for exchange.

The studies further show that formal control mechanisms and incentives are less relevant when goals are jointly determined and implementation is accomplished through collaboration (Larson, 1992), and that joint problem-solving arrangements allow for partner organizations to work out problems as they appear along the way of the collaboration (Uzzi, 1997).

A combination of assumed trust and participation helps to merge roles and identities in the exchange process, and this results in an enjoyable work climate and in self-regulation. Self-regulation in turn resolves the problem of control by dispersing it (Larson, 1992). Larson further states:

Intangible control also came from the ways in which the past and the future influenced the present. The history of intersections set down mutual obligations and expectations that were organizationally structured: Individuals could come and go from particular positions and roles, but their behavior was framed and shaped by the history of exchange and the roles and identities of current participants. [...] The organizational form was a contingent control structure, patterned in its processes and architecture and reliably flexible due to the complex intersection of operational, strategic, and social controls. (Larson, 1992 p. 97)

In a review article on network control, Jones et al. (1997) corroborate the results from Larson's and Uzzi's studies. Jones et al.'s con-

clusions also echo Ouchi's observation that clans, just like networks, depend not only on rational-legal control mechanisms.

To enhance cooperation on shared tasks, the network form of governance relies more heavily on social coordination and control, such as occupational socialization, collective sanctions, and reputations than on authority or legal recourse. (Jones et al., 1997, p. 916)

To summarize the last two subsections, I have used some example studies to classify prior literature on control in reciprocal relations according to whether they are Gesellschaft axiomatic or GG dialectic. What I have intended to illustrate hereby is that even though researchers from both strands speak the same language – i.e. both talk about interorganizational control – they understand different things, formulate different questions, and reach different conclusions. Regardless of their ontological and epistemological departure points, empirical studies point to the important role of informal and trust-based control mechanisms in interorganizational relations. What these studies end up with as results, I take as a departure point, and question further into how these mechanisms emerge, what consequences they give rise to, and what conclusions we can draw from that.

The former review can also be seen as a justification of my own GG dialectical conceptualization of control in reciprocal relations in interorganizational settings, which will be presented next.

A conceptual framework of control in reciprocal relations

My line of argument so far has been that what decides how control comes into being is not primarily whether it emerges in a market or a hierarchy. Rather, control is effectuated in relations (Powell, 1990; Granovetter, 1985) and more closely related to practices in various

arenas (Bourdieu, 1977; 1990; 1993; 1994; Kurunmäki, 2004; 1999; Oakes et al., 1998). This argument will be developed in the next chapter.

The review of prior literature on control in reciprocal relations helped to put some flesh on Tönnies' abstract model of *Gemeinschaft* and *Gesellschaft*. Let us recapitulate Asplund's suggestion that the GG dialectic could be useful in interpreting current social phenomena. He particularly suggested that the GG gestalt could be discerned in the production and consumption of music (Asplund, 1991).

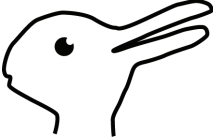
Any music production is founded on reciprocal relations. The analytical dialectical model of *Gemeinschaft* and *Gesellschaft* frames control in reciprocal relationships, whether they are of a social, legal, or economic character. To reiterate, very briefly, Tönnies brings to a close that society is upheld by various control mechanisms in different reciprocal relationships, such as contractual law and accountability towards your kin.

Just as Boland and Pondy claim that accounting arises in interaction and is a part of both rational and natural systems aspects of organizations (Boland and Pondy, 1983, p. 233), I have operationalized control with regard to *Gemeinschaft* and *Gesellschaft*. Any of the expressions of control, whether belonging to more natural or rational ideal-typical social formations – a band or a record company for example – may work in latent or manifest ways. And since there is never such thing as a pure *Gemeinschaft* or *Gesellschaft*, it can be expected that various combinations of expressions of control appear in different situations.

Given that theory and practice work in iterative ways, both theoretical and empirical input has informed the figure below. As a result, I will return to explanations of the figure's content that, at this point, may feel somewhat unfamiliar. In any case, before moving on it will be of value to condense into a tentative model an understanding of

control in reciprocal relations that are rooted in the gestalt of Gesellschaft and Gemeinschaft.

Figure 2: GG Model of control in reciprocal relations

	Gemeinschaft	Gesellschaft
Object of control	Use values	Exchange values
Governing logic	Operational/Creative (Value rationality, affective and/or habitual behavior)	Financial/Distributive (Goal rationality)
Types of processes	Intrinsic	Instrumental
Types of control mechanisms	Informal practices (Internalized morals, conventions, social contracts, solidarity)	Formal and intentionally manufactured artifacts (Laws, contracts, budgets, management tools)

Both the Gesellschaft axiomatic studies and the GG dialectical studies that I chose to review in the preceding subsections contributed with illustrations of control mechanisms at work in different empirical settings. The studies' results were of use in constructing an analytical model up to date with today's empirical reality. The figure provides a skeletal conceptualization of control that was developed to interpret the relations that constitute the popular music industry. That being said, I believe my analytical model can be further refined theoretically in order to help make sense out of individual behaviors and social relations. As I see it, there is a need for a more elaborate

theory of action rooted in field-bound practices. For guidance on this matter I will turn to Pierre Bourdieu at the outset of the next chapter.

The subsequent chapter also aims at examining economic features of social and cultural practice. In order for a music production project to become realized, actors face two fundamental control issues: the first is found in the organization and governance of the creation of use values which in the case of cultural production has the character of socio-cultural use or aesthetical experience; the second is the governance of the distribution of financial resources and the redistribution of the economic wealth created. This leads to a need for a deepened theoretical discussion on value from sociological as well as economic angles.

THEORIZATIONS OF SOCIETY, CULTURE, AND ECONOMY

This chapter aims at reviewing existing theoretical accounts about the relationship between society, culture, and economy. With a focus on individual practices, it depicts the entangled linkages between the organization, production, reception and consumption of cultural goods within limited economic frames. After having accounted for a theory of practice and having taken a standpoint in sociological and economic discussions on value, I conclude the chapter with a brief theoretical summary and a definition of control.

A sociological theory of practice

My first acquaintance with the French sociologist Pierre Bourdieu was in 2000 during a doctoral course in European social theories. Works by Bourdieu, Foucault, Elias, and Bauman¹⁸ were read, dis-

¹⁸ Bourdieu, P. (1984) *Distinction: a Social Critique of the Judgment of Taste*. Cambridge, MA: Harvard University Press; Bourdieu, P., and Waquant, L. (1992) *An Invitation to Reflexive Sociology*. Cambridge: Polity; Foucault, M. (1990) *The History of Sexuality. Vol. 1 The Will to Knowledge*. Harmondsworth: Penguin; Foucault, M. (1991) *Discipline and Punish: the Birth of the Prison*. Harmondsworth: Penguin; Elias, N. (1994) *The Civilizing Process*. Trans. Edmund Jephcott. Oxford, Cambridge, Mass: Blackwell; Elias, N. (1998) *On Civilization, Power, and Knowledge: Selected writings*. Eds. Stephen Mennell and Johan Goudsblom; Bauman, Z. (1989) *Modernity and the Holocaust*. Cambridge: Polity.

cussed, compared and contrasted. These books raised questions around the topic of power in modern society from a critical perspective which attracted my interest.

In my view, Bourdieu's writings on art and the field of cultural production outline the most holistic theory up to date of the ongoing value creation in the cultural field. He does so in terms of symbolic production which explains the processes of the social construction of value (Bourdieu, 1993; 1994; 1996).

Bourdieu explains how individuals and institutions such as artists, corporations, critics, galleries, etc. within the cultural field struggle over definitions of what culture is, and thereby contribute to making cultural products what they are (see also Becker, 1982). Bourdieu argues that in order to understand the processes behind the creation of a cultural good's symbolic value it is necessary to study the objective structural relations between the positions of the relevant agents within a given historical moment in the history of the field, and the social conditions that make possible its production (Rhodes, 1994).

For Bourdieu "the principle obstacle to a rigorous science of the production of value of cultural goods" is the "charismatic ideology of 'creation'" to be found in the studies of art, literature and other cultural fields. This charismatic ideology, in his view "directs the gaze towards the apparent producer – painter, composer, writer – and prevents us from asking who has created this 'creator' and the magic power of transubstantiation with which the 'creator' is endowed" (Bourdieu, 1996/1992:167). This does not merely mean going beyond the individual creator to a wider network of agents involved in cultural production, which is the method taken by interactionist sociologists of art and culture, most notably Howard Becker. Nor does it mean reducing the work of art to a reflection of social 'context' as in some Marxian treatments and some conventional social histories of art. (Hesmondhalgh, 2006, p. 212)

Then what exactly does it mean? The rest of this section will be devoted to the task of introducing Bourdieu's praxeology and its implications for a "rigorous science of the production of cultural goods."

The praxeology of Bourdieu

By convention and tradition, science separates theory and method. Also this dissertation has been organized in such a way that theoretical accounts are separated from methodological issues. This section however constitutes an exception to this structure, which I've tried to indicate by using the term *praxeology* in this section's heading. The term is borrowed from Everett's (2002) portrayal of Bourdieu's theory and method. The following paragraphs contain the argument for why, in the middle of this theoretical chapter, I make methodological explanations.

Bourdieu (1981) argues that theory and method, objectivism and subjectivism, structure and action, are false antinomies. To transcend these dualities Bourdieu proposes a social praxeology which weaves together a structuralist and constructivist approach. It aims at transcending entirely subjectivist (phenomenological) and objectivist (structuralist) forms of theorizing (Bourdieu, 1977). Brubaker has suggested that one of Bourdieu's central metatheoretical organizing themes is that the objective and the subjective are fundamentally intertwined (Brubaker, 1985, p. 750). As a result, it is impossible to separate an analysis of the symbolic from that of materiality. This is important for my dissertation from a methodological point of view. I will analyze individuals' practices and constructions of their environments and the symbolic production of cultural goods that result, as well as the materiality of physical documents such as record contracts and record sales lists for example. Since the formal contracts define the power balance between the contracting parties

they can be a helpful ingredient in a mapping of objective structural positions.¹⁹

As a consequence of Bourdieu's refutation of the micro/macro-, structure/agency-, and individual/social-dichotomies, all Bourdieuan key theoretical concepts take on meaning only in their practical context. The explanation of the notion of field, for example, presupposes the understanding of habitus and vice versa. So before moving on, I find it necessary to provide a closer account of some of the key notions of Bourdieu's work since they are the cornerstones of his theory of the cultural field.

Bourdieuian concepts

Key notions in Bourdieu's writing that are central to this thesis are field, capital, and habitus. Since these concepts are to be understood relationally, it is a challenge to give an account of their definitions one by one in turn. Therefore, instead I have chosen a way in to a presentation of Bourdieu's theoretical constructs, method, and way of reasoning via the schools of thoughts with which he marks a break.

For instance, concerning power, some will raise substantialist and realist questions of location (in the manner of those cultural anthropologists who wandered in an endless search for the "locus of culture"); others will ask where power comes from, from the top or the bottom ("Who governs?"), as did those sociolinguists who worried about where the locus of linguistic change lies, among the petty bourgeois or among the bourgeois, etc. It is for the purpose of breaking with this substantialist mode of thinking, and not for the thrill of sticking a new label on old theoretical wineskins, that I speak of the "field of power" rather than of the dominant class, the latter being a

¹⁹ I acknowledge that power balances and objective structural positions change in time and space, and that contracts only give a depiction of relative power positions in the field of popular music at a certain point in time.

realist concept designating an actual population of holders of this tangible reality that we call power. By field of power, I mean the relations of force that obtain between the social positions which guarantee their occupants a quantum of social force, or of capital, such that they are able to enter into the struggles over the monopoly of power, of which struggles over definition of the legitimate form of power are a crucial dimension. (Bourdieu and Wacquant, 1992 pp. 229–230)

The game metaphor is frequently used by Bourdieu to explain the ongoing struggles over legitimate forms of power within a field: the definition of power is as central to the power field as is the definition of culture to the cultural field. These struggles occur between agents with different habitus (for the moment, let us say between agents with different ways of improvising actions). The field of power, whose principle of legitimacy is based on possession of economic or political capital, encapsulates sub-fields (for example art, religion, science). The field of cultural production is contained by the field of power because of its possession of a high degree of symbolic forms of capital, but in a dominated position because of its relatively low degree of economic capital (Bourdieu, 1993), which brings us to the definition of capital in the Bourdieuan sense.

As everyone knows, even priceless things have their price. The Bourdieuan notion of capital encapsulates this idea and thus expands beyond economic meaning with emphasis on material exchanges, to include immaterial forms of capital, specifically cultural and symbolic capital. According to Bourdieu capital can present itself in three fundamental forms: as *economic capital*, which is immediately and directly convertible into money and which may be institutionalized in the forms of property rights; as *cultural capital*, which is convertible into economic capital and may be institutionalized in the forms of educational qualifications; and as *social capital*, made up of social obligations, which is also convertible into economic capital, and may be institutionalized in the forms of a title of nobility for example (Bourdieu, 1997).

Different types of capital can consequently be acquired, exchanged, and converted into other forms. Like economic capital, the other forms of capital are unequally distributed among social classes and class fractions (Bourdieu, 1993). The structure of the distribution of the different types and subtypes of capital at a given moment in time represents the immanent structure of the social world: i.e. the set of constraints, inscribed in the very reality of that world, which govern its functioning in a durable way, determining the chances of success for practices (Bourdieu, 1997). By articulating the rules of exchange within and between fields, this process influences the types of capital recognized as legitimate and decides at what rates and in what shapes capital will be exchanged. Oakes et al. (1998) illustrate this in a study of the empirically defined field of Canadian museums and cultural sites.

Redefining the field's dominant capital may not directly affect actors' intrinsic properties (a curator's knowledge, for example) but it does affect their relational properties (their position), because it affects their overall capital, and therefore their standing in the field. (Oakes et al., 1998 p. 273)

Cultural capital exists in three forms: embodied, objectified, and institutionalized (Bourdieu and Wacquant, 1992 p. 119). In the field of popular music, embodied cultural capital gives rise to a sense of artistic identity resting on various parts of musical talents and other forms of valued pop music-related knowledge-assets. Embodied cultural capital, which is strongly linked to the habitus, cannot be transmitted instantaneously (unlike money, property rights, or even titles of nobility) by gift or inheritance, purchase or exchange (Bourdieu, 1997). Objectified cultural capital on the other hand is both more easily acquired and more easily exchanged into economic capital. While a person may own the objectified cultural capital of a music recording, the same person may lack the embodied cultural capital to appreciate the whole world of internal (field-bound) references and meanings the CD may embrace. And finally, institutionalized

cultural capital can be explained, by allusion to the singer profession for example.

Continuing the presentation of Bourdieu's theory and method with reference to his intellectual conversation parties, the concluding passages address the relationship between field and habitus in relation to Marx's historical materialism. While the historical materialism of Marx suggests that it is not the consciousness of men which determines their existence, (it is on the contrary, their social existence which determines their consciousness), Bourdieu has constructed the notions of field (cf. structure) and habitus (cf. consciousness) to denote that social and mental structures are genetically linked and that they both influence and are influenced by each other (Bourdieu and Wacquant, 1992).

In a review of *The Logic of Practice* (Bourdieu, 1990), Jenkins (1993) describes the habitus as a less-than-conscious but more-than-unconscious body of dispositions which, while they are in no sense rules prescribing behavior, nevertheless they generate the ongoing social game of which they are an integral part, to which they contribute and by which they are, over time, produced.

According to Bourdieu (2001) the social construction of gender is an important part of the habitus, and the gender aspect of habitus has consequences for the reproduction of a masculine dominated gender order. It is because gender differences and their consequences are perceived of as natural, to a such large extent by both men and women, that Bourdieu discusses masculine domination as an instance of symbolic violence.

The following quotation provides a concluding summary of the three key Bourdieuan notions; field, capital, and habitus.

A field consists of a set of objective, historical relations anchored in certain forms of power (or capital), while habitus consists of a set of historical relations "deposited" within individual bodies in the form

of mental and corporeal schemata of perception, appreciation, and action. (Bourdieu and Wacquant, 1992 p. 16)

The account of Bourdieu's praxeology hitherto should provide enough background for a continuation with Bourdieu's theory of the cultural field (1993) which situates artistic works within the social conditions of their production and consumption.

The logic of the field of cultural production

Remember that Tönnies marveled about what unites people in society. While Tönnies was occupied with trying to understand the liaisons between people, Bourdieu's theorizing rather focuses on questions of struggle and distinction between people. In my view, Bourdieu suggests a more elaborate theory of action, i.e. theory of practice, which can complement Tönnies' root metaphor of *Gemeinschaft* and *Gesellschaft*, notably in that it more specifically can explain actors' logics of practice in the cultural field.

What is a particular trait of the cultural field? Bourdieu (1993) argues that it is a presence of a sort of rejection of the economy. There is a dialectical tension or opposition between the two interacting elements of culture and economy in the field of cultural production. As stated before, the field of cultural production is contained within the field of power and possesses a relative autonomy with respect to it, especially as regards its economic and political principles of hierarchization (Bourdieu, 1993 pp. 37–38). The cultural field seeks autonomy from the economic rules and logic 'out there' by upholding certain distinct, artistic values. But: "No matter how great the autonomy of the field, the result of these struggles is never completely independent of external factors (Bourdieu, 1993, p. 184)."

In short, there are struggles over definitions, positions, legitimacy and principles of hierarchization, internally within the cultural field

as well as externally, principally towards the governing logic of economics and politics. Within the field of cultural production, there is an opposition between the *field of restricted production* which is composed of the high-prestige ascetic producers who are producing for peers and a group of select privileged consumers, and the field of *large-scale production* which consists of the production of commercial goods for a mass market (Rhodes, 1994 p. 218). Hence, fields of restricted production are relatively autonomous in that their orientation is essentially internal. This circularity is not accidental, Oakes et al. (1998) point out. It can be expected to take place because the field has the cultural capital to control its own internal processes and principles, which also permits those active in the field to have greater independence regarding what constitutes their work.

The focus in fields of large-scale production is no longer on preserving cultural capital but on the ability to translate rapidly or convert all forms of capital into economic capital. A field of large-scale production must depend on outsiders' evaluations of the economic value of its cultural capital because it can no longer depend on internal rules to define its cultural capital and to defend its boundaries (Oakes et al., 1998 pp. 277–278).

A manifest practice of “the economic world reversed” can be illustrated by the standpoint of a band in the restricted field of popular music production that prefers not being able to pay their upcoming rent rather than selling one of their songs to a McDonald's commercial. No matter what the pay. By help of Bourdieu's field theory, this behavior can be predicted on the basis of empirical depictions of the rules of the game in the field of cultural production where critics, consumers, artists and all the other actors within the field, from their relative power positions, construct and define, over time, what the stakes of the game are and should be. The value of an artist's cultural capital in the restricted field of popular music production diminishes according to the rules of that game, with such “sell-out” behavior.

What governs music consumption?

Bourdieu has also been an inspirational source to this thesis regarding his demonstration of how taste is not a passive response to an objective, inherent aesthetic value inscribed in cultural products themselves. This pre-understanding has preceded my inquiries into the consumption of popular music.

Bourdieu's theory of taste constitutes the core of his field theory that stipulates how agents with different habituses and possessions of various sorts of capital apply different practices and classifications of culture depending on possibilities and restrictions inscribed in the field(s) they find themselves in. In one of his most prominent works, *Distinction*, Bourdieu (1984) gives an account of how taste regarding food, sports, music, art etc., constitutes an important marker that reveals and reproduces the power of different groups of people in society. In line with post-structuralist thinkers like Michel Foucault, who maintain that social discourses and practices are inevitably associated with hegemonic social relations, Bourdieu's collective works present a truly holistic theory of social reproduction. Bourdieu shows that class differences in tastes lead to social reproduction through unintended consequences of everyday action (Holt, 1997). Bourdieu claims that exclusionary consumption practices typically occur through the disinterested pursuit of tastes rather than strategic maneuvering (Holt, 1997). Taste is power in disguise. One of the fundamental messages of *Distinction* is that taste classifies, and it classifies the classifier. A struggle over the definition of good taste and high culture is constantly in the forming at various levels of society and between all sorts of different groupings of people (Bourdieu, 1984, p. 254). While *Distinction* assuredly has contributed to a widespread illumination on the sociological notion of taste, the subject was already elaborated upon by Shuessler in the late 1940's in a Ph. D. dissertation on musical taste and socio-economic background in which it is demonstrated how musical taste is socially determined (Shuessler, 1980 [1947]).

Shuessler (1980 [1947]) presents statistical evidence of how musical preferences exhibit conformity and regularity over socio-economic, sex, and age differences, and that musical taste is conditioned by the operation of unrelenting biases or attitudes. Shuessler concludes that generalizations about aesthetic judgment in general, and musical taste in particular, must take into account the cultural background of an individual or a group. He furthermore concludes that age cuts across distinctions based on socio-economic background, sex, and training in music. Although differences among socio-economic groups may be great, differences among age groups within the same social class may be relatively greater. Again, age may affect musical taste when other variables are without significant influence, Shuessler suggests. For instance, in regard to popular music, the breakdown by age brought to light significant differences, whereas no significant differences were produced by other groupings (Shuessler, 1980 [1947]), pp. 127–128).

The main point to be illustrated by reference to Bourdieu's and Shuessler's works is that taste is socially conditioned and constructed. Richard Caves also notes that taste in music is culturally determined: not surprisingly Arabian countries have Arabian musical preferences, Indian countries have Indian musical preferences, and Anglo-Saxon countries have Anglo-Saxon musical preferences (Caves, 2000 p. 202).

The usefulness of a Bourdieuan approach

Aside from great recognition for his work on the artistic and cultural field, Bourdieu has also been broadly influential in the area of contemporary organizational research practice and theorization. Articles by scholars in the area of management control who apply conceptions developed by Bourdieu are beginning to appear in journals such as *Accounting, Organizations and Society* and *Critical Perspectives on Accounting* (e.g. Xu and Xu, 2006 in press; Neu, 2006; Everett, 2004; Kurunmäki, 2004 and 1999; Lukka and Granlund, 2002; and Rami-

rez, 2001). Bourdieu's work is consequently found to be useful not only as a depiction of the workings of the field of cultural production, but also as an overall theory of how control structures in society are established and changed. Paul Montagna (1996) suggests in a review of *Accounting as Social and Institutional Practice* (Hopwood and Miller eds., 1994), that the work of Bourdieu might help bridge the micro and macro level of analysis that several of the reported studies in Hopwood and Miller's book wrestles with.

Everett (2002) concludes – after having explored the assumptions, concepts, objectives, and empirical techniques that underpin Bourdieu's praxeology – that his research ladder offers a good critical and reflexive lens from which to better view organizations, and from which we are able to understand systems of production and reproduction in the social sphere.

In a study by Thompson (1998), it was noted that authority and accountability in organizations are derived not only from economic capital but also from cultural capital. Thompson's study suggests that traditional budgeting and control methods will yield sub-optimal results from their failure to acknowledge the authority associated with cultural capital. Anheier et al. (1995) conclude that Bourdieu has been able to go beyond the primacy of economic capital in Marxist conceptions of class and to lay the foundation for a more refined analysis of the social structure of modern societies, specifically cultural fields in which competition for cultural capital in the form of recognition, reputation, and legitimacy is palpable.

Oakes et al. (1998) specifically argue that Bourdieu can help us understand how legitimacy is constructed and maintained, and also, what the implications of its loss are. In a study of how business planning affects the distribution of possible positions and the cultural capital within the sub-field of Canadian museums, *business planning* as pedagogy replaced one set of meanings, defined by the producers such as curators, archivists, and historians within the field, with another set that was defined in reference to the larger political and

economic field, i.e. the external market. In concrete terms, this change reduced the control that people in the field had over their work lives. The appearance of business plans as mere acts of technical transcription concealed the forces this process involved.

Oakes et al.'s empirics illustrate a shift from small-scale to large-scale production, and oftentimes this new logic is both embraced and rejected by the same respondents. The authors' material also shows another useful aspect of Bourdieu's theory:

Bourdieu's work is useful in understanding why actors might appear contradictory, because they are often operating within or moving between several fields in which differential capital and positions are available. (Oakes et al., 1998, p. 266)

A dissertation that explores how people who are employed at the integrated film company Sandrews Metronome relate to taste in their daily work also brings light to the fact that as cultural production increasingly takes place within the borders of multinational media conglomerates, cultural producing organizations come to embrace the same management discourse as the rest of the business world. An expression of this discourse is an increasing control of the taste of the employees (Lantz, 2005). The author identifies a number of different taste performances where a "professional approach to taste" and "taste as a resource for market knowledge" can be associated with employees closer to the economic pole within the organization. Examples of "objective taste" are most common in the more commercially oriented video distribution department. At the other end of the spectrum, in a production department which is closer to the cultural pole, Lantz identifies "distinctive taste performances" and "taste as a resource for market influence." The most dominant taste performance closer to the cultural pole is "balancing taste and market potential."

From use values to exchange values

In another recently published doctoral dissertation, Gillberg (2007) suggests that the notion of magic capital can be fruitful in trying to understand value creation in a cultural context. Through interpretations of two TV-series,²⁰ the author compares and contrasts the discourses prevailing in Swedish and American popular culture. The Swedish model is built on constructions of fairness, equality and modesty, while in the United States economic success, entrepreneurship, being blessed and being generous dominate as virtues of artistry. The creation of magic capital would be impossible without the legitimacy ascribed to it on behalf of the consumers, Gillberg claims. Her study further shows that the media plays an important intermediating role between the artists and their audiences.

The term “cultural intermediaries” was introduced by Bourdieu in *Distinction*. Negus (2002, p. 503) argues that the central strength of the notion of cultural intermediaries is that it places an emphasis on those workers who come *in-between* creative artists and consumers, or, more generally, production and consumption. He believes the notion of cultural intermediaries is fruitful because it challenges us to think about the reciprocal relationship of what are often thought of as discrete “cultural” and “economic” practices. Further, according to Negus, the term is related to Bourdieu’s comments on the “new petite bourgeoisie” – a new, growing and influential group of middle-class workers. Negus portrays some of the “new petite bourgeoisie” as laboring in promotion and marketing professions, where the aim is to link a product to a potential consumer by seeking to forge a sense of identification, whether between a young person and a brand of training shoe, a spectator and a film star, or a listener and a musician:

As new products, celebrities and services are created, so cultural intermediaries become continually involved in explaining to us the

²⁰ Fame Factory (Swedish) and “The fabulous life of...” (American).

use value of these new commodities (why we might need and what we might do with new face creams, training shoes, bendy curved toothbrushes, or young classical singers) and what their exchange value might be (their relative market worth). Hence, the study of cultural intermediaries should provide important insights into the changing dynamics of contemporary capitalism. (Negus, 2002, p. 504)

Negus thus observes how cultural intermediaries shape both use values and exchange values, and how they seek to control how these values are connected with people's lives through various techniques of persuasion and marketing, and through the construction of markets. He understands cultural intermediaries to be all those people engaged in the symbolic production which is crucial for contemporary commodification of culture to take place, and he even includes accountants as a group of important cultural intermediaries. Even though it is true that the accounting and law departments are typically weighty and of importance in major record companies (Davis, 1975), it has been argued that the A&R departments are "the life blood of the music industry."²¹

A point I want to make before moving on is that exchange values should not be related only to creative processes. Exchange values result from many types of processes that are completely different in character. Promotion work is one of them. Hence, in a cultural context, parallel to creative processes and symbolic production, are businesslike processes with an aim towards commodification.

Commodification and its consequences

Already in the early 1900's, Weber documented that in comparison to Asian music, Western music was more exposed to rationalization processes (Weber, 1958 [1910]). In later days, the field of popular

²¹ Tom Mackay, Senior VP of A&R, Universal Republic Records.

music has been described as showing McDonaldization tendencies (Ritzer, 1993 qtd. in Longhurst, 2007 p. 11).

The concept of cultural industry²² goes back to the German philosophers and Frankfurt school associates Horkheimer and Adorno who presented a critical account of the processes by which culture has passed from an artisanal to an industrial state of production. By using the term culture industry, they meant to denote the process of the industrialization of mass-produced culture and the commercial imperatives that drove the system. Their language and ideas are heavily infused with, but at the same time critical of, Marx's thoughts.

I conclude from my reading of Adorno that he perceived the Tönniesian notion of *Gesellschaft* as a dystopia; a dystopia which was already during his lifetime in sole control of and permeating all parts of society. Adorno argues that the cultural industry is made up of procedures that formulate and treat unlike things as equal, concentrate wealth and power, and replace commodities' use value by exchange value. Cultural commodities are governed with or without the conscious will of those in power, by the principle of their realization as exchange value, and not by their own specific content and harmonious formation. The entire practice of the culture industry transfers the profit motive naked onto cultural forms (Adorno, 1991). "Works of art are ascetic and unashamed; the culture industry is pornographic and prudish (Horkheimer and Adorno, 1994 p. 140)."

Another particular trait of the culture industry according to Adorno is that it consists of repetition.

What parades as progress in the culture industry, as the incessantly new which it offers up, remains the disguise for an eternal sameness; everywhere the changes mask a skeleton which has changed just a lit-

²² Recently, Hesmodhalgh (2002) has suggested the notion of *cultural industries* in plural to emphasize the convergence taking place between, for example, the media business and other parts of the cultural sector of the economy.

tle as the profit motive itself since the time it first gained its predominance over culture. (Adorno, 1991 p. 100)

The sameness and repetition traits of the cultural industry that Adorno makes reference to affect consumption, in that appreciation of art becomes almost impossible to distinguish from familiarity and identification. In *Aesthetic Theory*, Adorno (1984) writes that, whereas in the real world all commodities are fungible, art protests against interchangeability by holding up images of what reality itself might look like if it were emancipated from the patterns of identification inflicted upon it. In the same way, art – the image of the unexchangeable, comes close to being an ideology because it makes us believe there are things in the world that are not up for sale. Adorno (1984, pp. 122–123) argues that on behalf of the non-negotiable, art should awaken a critical consciousness toward the world of exchangeable things. In more pessimistic moments, Adorno seems to believe it might already be too late; that art might already be dead:

To the degree to which art corresponds to a need present in society, it has largely become a business enterprise operated for profit. As business, art will continue as long as it pays and as long as its smooth functioning lulls everybody into believing that art is still alive. (Adorno 1984, p. 26)

Adorno goes as far as to say that under the mastery of bureaucratic and technical forces, the cultural industry obstructs the possibility for human reflection. Adorno's cultural studies show how a logic that proclaims conformity over consciousness prevails in television, film, and the music industry. Adorno warns that this logic impedes the development of autonomous, independent individuals who might otherwise judge and decide consciously for themselves (Adorno, 1991).

It is a cynical depiction Adorno puts forward, of how the culture industry unifies and pacifies, and he has been criticized for it. Adorno's critics remark that the cultural industry is in reality more

dynamic, diverse and conflictual than Adorno's theory suggests. If anything, it is Adorno's theory of the cultural industry that unifies and pacifies, the critics claim.²³

An elaborate attempt to save Adorno from his critics has been presented by DeNora (2003). She claims that by placing music at the heart of his critique of modernity, Adorno raises some very important questions about the role of music in contemporary society. One of Adorno's central arguments, which DeNora has picked up on and empirically examined in a previous study (DeNora, 2000), is that music, through the manner of its composition, affects consciousness and is a means of social management and self-control.

Because Adorno's work is primarily theoretical his work is continuously met with skepticism from various scientific disciplines in that the issues he attends to have not been explored empirically. However, to Adorno's defense, it might be brought up that his conjectures are to a large extent the result of lived experience in the American cultural industry where Adorno and his colleague Max Horkheimer were able to make observations and interpretations during their exile from German Nazism.

American popular culture was booming during the time Adorno spent in the United States in exile. We can be quite certain from Adorno's accounts of the development of American mass-culture that he did not like the societal movements he was observing. Adorno strongly opposed the unholy alliance of modern capitalism and culture, and he resisted the *mélange* of high and low culture. Because Adorno was defiant to the concoction of high and low art, he has been criticized for taking an elitist stand on culture, which has been amusingly defended by Nealon (2002):

Such a dismissal, Nealon argues, implicitly conflates bebop (which Adorno was not writing about) and swing, Miles Davis and Tommy Dorsey, Billie Holiday and the Andrews Sisters. [...] "if you disagree

²³ Bernstein mentions Kellner (1984–5) in the foreword to *The Culture Industry*.

with Adorno, be prepared to tell the world what's so interesting or crucial about the swinging grooves of Fred Waring and the Pennsylvanians. (Nealon, 2002 p. 136; qtd. in Andrejevic, 2004, p. 94)

Adorno didn't like jazz music, which he is often quoted on, but which I believe is not a strong enough evidence to support claims of his elitism. It would not be fair to conclude that Adorno wished to see an extinction of popular culture because it was a lower art form. From what I can find in Adorno's writing, the opposition against the fusion of high and low art should not be interpreted in any elitist way; quite the contrary. Art has an assignment, to be "the social antithesis of society" (Adorno, 1984), and this assignment is obfuscated for performers of both high and low art the way the culture industry does not make a clear distinction between these two art forms.

To the detriment of both, it forces together the spheres of high and low art, separated for thousands of years. The seriousness of high art in speculation about its efficacy; the seriousness of the lower perishes with the civilizational constraints imposed on the rebellious resistance inherent within it as social control was not yet total. (Adorno, 1991 pp. 98–99)

Adorno's writing style reveals his abhorrence for what false logical structures or any dominant language can inflict upon the meaning of a communication. In my opinion, this makes Adorno's writing hard to penetrate, and even harder to narrate. But his fragmentary writing leaves a picture of the culture industry which, sadly enough, presents a fairly soulless and hollow sense of culture in society. It is also a picture mirroring society at large. "There is laughter because there is nothing to laugh at" (Horkheimer and Adorno, 1994, p. 140).

That which has disappeared is the genuine, essential value of art. And what is sad with modern laughter, Horkheimer and Adorno argue, is that consumers have come to appreciate a fetish:

Everything has value only in so far as it can be exchanged, not in so far as it is something in itself. For consumers the use value of art, its essence, is a fetish, and the fetish – the social valuation [Gesellschaftliche Schätzung] which they mistake for the merit [Rang] of works of art – becomes its only use value, the only quality they enjoy. (Horkheimer and Adorno, 2002, p. 128)

More than anything, Adorno substantiates an opinion about the commodification that occurs in the cultural industry, while Bourdieu concentrates more on describing how these processes occur.

Later accounts on industrialized and commercialized cultural production claim that the pessimistic forecasts of the imminent globalization of cultural production heard over the last two decades have been proven wrong – or at least exaggerated (see for example Miège, 1999). Miège, supporting his claims with anthropological, historical, and cultural sociological research, argues that throughout the world, contemporary cultural production tends to be community based:

In other words, despite the more than two centuries of industrialized cultural production and despite the aggressive strategies of the increasingly powerful communication groups, independent forms of entertainment still thrive all over the world. (Miège, 1999, p. 63)

This chapter opened up by a deepened discussion on Bourdieu's theory of practice applied to the cultural field. It continued with a critical perspective on symbolic production and the social construction of cultural values. Now I will complement the sociological outlook with a basic business economic perspective on financial restrictions, conditions and demands that cultural organizations need to face up to.

Economic features of social and cultural practice

Whether fundamentally social or economic in character, any relation carries demands on performances and counter performances. After having dwelt on this issue from sociological perspectives, this section now seeks to apprehend the economic features of social and cultural practice, which popular music production is an example of. The first section discusses different economic theories of value. Thereafter their influence on both theories of cultural production and consumption, and management accounting and control will be reviewed. In the subsequent section the interplay between macro- and microeconomic conditions and external and internal business economic demands will be discussed in closer detail. The chapter ends with a suggested definition of control that builds on sociological as well as economic principles.

Economic theories of value

This section addresses the difficult but inescapable question of value through a discussion of use and exchange values from an economic outlook. As an introduction, let us start from a common definition of *economy* and *economic problem* so it becomes apparent what I mean by “an economic outlook.” The Latin word *oeconomia*, dating from the 1500s, means household management. Etymological reference can also be made to the Greek words for *nemein*; to manage, and *oikos*; house.²⁴ An elementary ingredient of the economic dilemma is thus to economize on limited resources. The most basic of economic problems, as Robbins (1932) formulated it, is the scarcity of resources to reach human wants and needs in a society with alternative uses of available resources.

²⁴ *Merriam Webster's Dictionary*, online edition, 2007.

While modern economic theories have branched out in different directions, the core task remains the same: to study resources' creation, organization and use – in other words, the arrangements in which people seek their livelihood and try to satisfy their needs.²⁵ Economic theories of value, which will be discussed briefly, are founded on the use and exchange features of services and goods. As previously defined, it is the use value of a service or good that can satisfy a human need, while the exchange value of a service or good bears reference to what an external appreciator is willing to pay for it.

Ever since the turn of the twentieth century, the field of economics has been divided between essentially two theoretical positions: classical political economy and neoclassical economics. The major theories of value emanating from these two paradigms are the labor theory of value associated with classical political economy, and the marginalist theory of value associated with neoclassical economics (Tinker, 1980).

Of the two main economic activities of production and exchange, the classical political economists deem that the first is the most important. Marx's labor theory of value, therefore, approaches an understanding of the relation between a good's use value and exchange value from the perspective of production. According to the Marxist labor theory of value, labor is the source of the surplus value that can become realized in exchange (Marx, 1976 [1867]). Against this, the marginalists adopt a consumption perspective on the origin of value, and focus on the problems typical of exchange – choice and allocation of scarce resources. For the marginalists, a commodity derives its value from the utility it procures to its holder (Reati, 2005). In opposition to classical political economists, who emphasize the importance of class structure and social relations in economic analyses, neoclassical economists prefer not to take soci-

²⁵ *Nationalencyklopedin*, online edition, 2007.

ety's complex social relations into account, in order to formulate elegantly logical theories. As a consequence, neoclassical economic theory rests on a number of simplified assumptions about reality and human nature: The motivational foundation for action is limited to economically rational individual and organizational behavior such as maximizing utility and profit (Becker, 1976).

The concepts of utility and marginal utility were developed around a decade ago by Alfred Marshall and Vilfredo Pareto, among others (Hicks and Allen, 1934). Hicks and Allen (1934, p. 52) were of the opinion that "of all Pareto's contributions there is probably none that exceeds in importance his demonstration of the immeasurability of utility." As a consequence Pareto eventually abandoned and replaced the concept of utility by the concept of a scale of preferences that can be illustrated in a diagram as indifference curves. Hicks and Allen (1934, p. 57) themselves gave an important contribution to the early development of neoclassical economy in proposing that diminishing marginal utility must similarly give place to increasing marginal rate of substitution.

Cultural production and consumption from an economic outlook

Recent attempts to understand cultural production and consumption from an economic outlook (for example Caves, 2000) challenge the usability of neoclassical economic assumptions and concepts. Among several identified distinctive properties of the creative industries, the infinite variety property problematizes the concept of the marginal rate of substitution (Caves, 2000). It implies that for each single individual there is an unforeseeable infinite variety to how receivers of cultural goods choose to consume and substitute between cultural commodities and/or experiences.

A plausible explanation for this characteristic feature of the cultural industries can be found in the writings of the economist Thorstein Veblen, who was interested in the links between social, cultural and

economic practices. He was a pioneer to observe that consumption not only serves utility purposes. Veblen's notion of "conspicuous consumption" entails that more importantly, many times consumption practices aim at expressing affiliation with one's position and status in society (Veblen, 1965 [1899] p. 68 ff.). Veblen was also a precursor to later thinkers with similar interest in the links between social, cultural and economic practices – Bourdieu for example.

Economic foundations of management accounting and control

Just as theories of cultural production and consumption relate in one way or the other to fundamental economic traditions of thought, theories of management accounting and control are closely related to various macroeconomic foundations. It is not only the concept of value that takes on different meanings in different economic traditions. Depending on its economic underpinnings, accounting concepts such as capital, income and profit also take on different importance. The meaning attributed to profit in classical political economics is the return to capitalists. In neoclassical economics profit is an indicator of economic efficiency (Tinker, 1980). To the extent that any "theory" has guided the development of the accounting craft, the marginalist theory has been the most influential on contemporary accounting practice. It has provided and still provides guidelines for income definition and asset valuation (Tinker, 1980).

Management control theories are similarly influenced by the long-established divide in economics. Agency theory (Jensen and Meckling, 1976; Eisenhardt, 1989) and transaction cost economics (Coase, 1937; Williamson, 1981) can be classified as stemming from the roots of marginalism, while critical perspectives on control such as labor process theory (Hopper et al., 1987) have their origin in classical political economy.

The next section continues the discussion on how macro- and microeconomic factors interplay in closer detail. The upcoming section

suggests how the external macroeconomic environment and its problems are connected with internal control impulses.

Business economic conditions and demands

A broadly applicable image of organizational conditions and demands that, in my view, reconciles neoclassical and classical political economic perspectives has been suggested by Östman (1993). It is a two-dimensional visual graphic of organizational life, where control impulses originate from financial mechanisms in vertical and horizontal dimensions. In the vertical dimension there is a demand for return on investment that takes investors' alternative uses of money into consideration. How to make the best use of scarce economic resources was formulated earlier as a generally acknowledged economic control problem of any organized business activity. In the case of public funding, the question of meeting economic demands can instead be translated into staying within the budgetary limits of allocated means. A record company and a publisher, for example, work under the guidance of a financial rationale that governs the vertical process, which emanates from the owners' yield requirements. This creates an organizational focus on generating good economic performance.

In the horizontal process, the customers' conceptions play an important part in the evaluation of the organization's performance. The financial mechanism in the horizontal dimension is constituted by the customers' willingness to pay for the organization's products or services. The horizontal dimension thus includes activities and value-adding processes flowing in the direction from suppliers to customers. From the organization's perspective, promotional activities and the nursing of customer relations become vital. Another important management issue is the interplay between different organizational units and members (Brodin et al., 2000).

The demand in the horizontal, operational dimension is in fact a plethora of demands for appreciation of use values. But if we look at the example of a music producing organization, what may be recognized as of use or as good quality to a producer or an organizational member, may not be experienced as quality in the eyes of the public or a critic. Creating good performance from a use value perspective is what constitutes the horizontal control dilemma. In practice this becomes a problem of dealing with unpredictability regarding intersubjective constructions of value. This predicament is superimposed onto the control problems related with the vertical dimension that managers of music corporations face.

In a recently published paper based on a book about the Royal Dramatic Theatre in Stockholm during the 20th century, Östman (2007) discusses the dynamics of financial control and its effects on operational processes over a hundred year perspective. Östman's business economic acumen allows for an analysis of the economic reality of an organization that offers something as abstract as images of society and human life. It is a narrative about figures, formulated in words, in which splendid moments and financial crises are put in perspective against each other. With a departure point in the fact that business economic conditions set financial limits for the Royal Dramatic Theatre and its stakeholders, Östman illustrates how the board and management balance the dominantly financial perspective of the financiers (notably the Swedish government) against the perspective of artistic quality defended by artists and other staff involved in the Royal Dramatic Theatre's productions. From a description of specific issues ranging from the theatre's changing governance structure, to the shifting content and form of the theatrical repertoire, questions of overall importance are raised – one of the most pertinent being the one that concerns how financing forms and artistic outcomes are interrelated. Östman further argues that the connection between economic systems and human needs has become more difficult to discern today and that we can observe an increased separation between owners and management, with

control at a distance as a consequence. It is against the background of the intertwined financial and operational processes, and their correlated conditions and demands, that I will capture an understanding of control impulses prevalent in the Swedish popular music industry.

In a last summarizing section, I would now like to repeat what has been said hitherto, and what has been meant to get out of the theories presented so far. This last chapter's theories will assist in the refinement of the previously presented conceptualization of control. The next section ends with my definition of control, which I will also explore empirically and report on in the second part of the book.

A summary and definition of control

In the preface to this book I introduced my research interest in power and control on the one hand, and music on the other hand, which motivated a literary review cutting across different discourses and levels of theorizations. Up to this point, the first research question – how control in music production and consumption can be understood – has been approached theoretically. In a first step, a conceptual framework was developed for control in reciprocal relations in an interorganizational context. Thereafter the framework was refined by help of sociological as well as economic theories. Let me briefly recapitulate.

Music production with a commercial intent needs both immaterial input in the form of creative resources, and material input in the form of financial support which creates a reciprocal relationship between artists and corporations. My first theoretical chapter started out at a general level framing control in reciprocal relations with the aid of Ferdinand Tönnies' dialectical model of *Gemeinschaft* and *Gesellschaft*. In *Gesellschaft* the reciprocity is tied to the

idea of exchange for privilege; in *Gemeinschaft* to demands and performances that can be likened to those between family members.

In the second part of the first theoretical chapter it was elucidated why I prefer the analytical dialectical model of *Gemeinschaft* and *Gesellschaft* that theorizes *types of relations* or *interaction patterns* instead of *types of organizational forms*. I defied the trichotomy of markets, hierarchies and networks, and compared and contrasted *Gesellschaft*-axiomatic and GG-dialectical control research. The chapter ended with a skeletal framework including conceptualization of different facets of control in *Gemeinschaft* (informal structures, social contracts, internalized morals, solidarity) and *Gesellschaft* (formal structures and intentionally manufactured artifacts, for instance conventions, laws, contracts, budgets and other management tools).

In the second theoretical chapter I let, notably, Bourdieu's theory of the field of cultural production confront the previously developed framework of control. Parts of Bourdieu's theory can be seen as developing Weber's and Tönnies' assumptions regarding the nature of the will and the ideal types of rational-, affective-, and traditional behaviors, through the notions of field, habitus and capital.²⁶ Bourdieu's theoretical account of the logic of the cultural field gave a dynamic dimension to the category of *governing logic* in the previously introduced figure. Bourdieu's notions of field and habitus can further be compared to Granovetter's embeddedness argument to overcome oversocialized and undersocialized views of human action.

I make out the following interpretation of the theories laid out thus far: Tönnies and Weber both note that *Gemeinschaft* or communal actions have a structure and laws of their own. Bourdieu theorizes

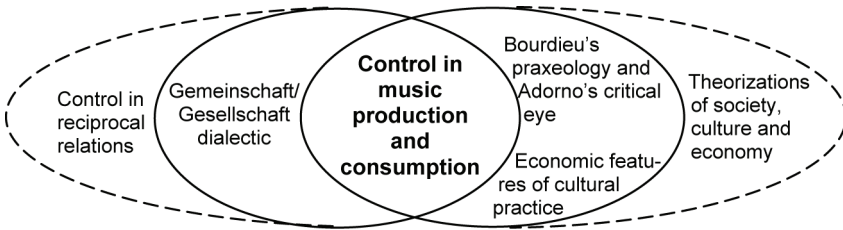
²⁶ Hereby Bourdieu also takes a position in the agency/structure predicament that I adhere to.

the workings of such laws, and their interplay with the laws of *Gesellschaft* in the cultural field. Communal actions and “art for art’s sake”-motivated behaviors constitute an opposite pole to purely economically interested behaviors in the field of cultural production. Bourdieu therefore refers to the logic of this field as “the economic world reversed.” It comes across in Bourdieu’s theory of practice and concepts like field, habitus, and cultural capital that he sees a counter force to the “*Gesellschaftization*” of society, which is the phenomena Adorno’s theorization is mainly preoccupied with.

The process of commodification of cultural goods that Adorno elucidates and criticizes, Bourdieu places at the core of his research which unfolds the role of aesthetic value judgments in cultural production and consumption. To a certain extent I embrace the critical perspective of the Frankfurt School, but I agree with the disparagement of critical theory which argues that it shows remnants of idealism and Romantic notions about artistic genius and cultural objects.

Lastly, economic features of cultural practice were presented and the major competing economic theories of value that underpin both the field of management accounting and control, and cultural production and consumption were discussed. The figure below gives a schematic overview.

Figure 3: Theoretical framing of the first research question: how control in music production and consumption can be understood



The purpose of the theoretical chapters has been to present comparable and contrasting perspectives on the phenomenon of control

in a cultural field. Just as we can get a richer picture of a company's financial conditions by looking at separate accounts, such as the income statement, the balance sheet and the cash flow statement – I believe that, taken together, several theoretical approaches can allow for a richer picture of the studied phenomenon of control.

Elucidating my own stance in relation to previously discussed theories, the view I adopt on the relationship between use and exchange values is that an exchange value results from the combination of resources that constitute a totality of performances that there exists a perceived use of, and thus a willingness to pay for. The willingness to pay exemplifies a financial mechanism in the horizontal dimension, while the financial mechanism in the vertical dimension, as stated before, has to do with financing conditions and concomitant demands on return. We should not forget that in an interorganizational setting, structures of financial responsibility, division of labor, and the redistribution of created exchange values must be empirically established in order for a critical understanding of the emergence and effects of control.

Control, controls, and control mechanisms are used interchangeably in this thesis to signify the norms, structures, processes and practices that influence performances and their reception. Control aspirations can be seen as efforts to secure the creation of use and exchange value in daily operational practices, which may be grounded in different rationalities. The broad view of control, adopted in this thesis, thus builds on a conception that control mechanisms comprise forces and impulses that influence what is being produced and consumed. My notion of control is derived from business economic as well as sociological theoretical bases and it comprises control mechanisms in both music production and consumption; in both *Gemeinschaft* and *Gesellschaft*.

METHODOLOGY

How can I attain knowledge about how control is achieved in music production and consumption? In my endeavor to understand how control is created, I will need intellectually and emotionally to interpret individuals' perceptions, attitudes, motivations, behaviors and constructions of meaning. My work thus belongs to an interpretative research tradition, or *verstehen* as Weber called it.

Weber's economic-sociological conception of meaning can be contrasted with notions of objective, "real" meaning, which is common in positivistic-oriented management control research, or metaphysically grounded "true" meaning as sought for in aesthetic scientific endeavors (Weber, 1983 [1922]). The type of meanings I seek to understand are the meanings produced by people in particular situations. Concretely, I go about comparing real actions that take place in different social contexts with ideal-typical socialization patterns (i.e. *Gemeinschaft* and *Gesellschaft*), and I try to understand different actors' motives for action by comparing them, partly with ideal-typical rationalities (i.e., goal rational, value rational, emotional, and traditional), partly against the governing logic of the field of cultural production (Bourdieu, 1993). Bourdieu's theory of the field of cultural production provides a meaning-structure for my interpretations to lean on.

In sum, this chapter presents the methodological consequences of looking for meaning and understanding in social and economic phenomena rather than for explanations and cause-and-effect relationships. It focuses on the question put forward in an article by Sandberg (2005): "How can knowledge produced within the inter-

pretative research tradition be justified?” One way is to account for the research strategies and procedures undertaken to secure the trustworthiness of the study.

Research strategies and empirical sources

I label my study *an ethnographically inspired field study*. To analyze and understand patterns of interaction calls for ethnographic-based research methods that permit interpretations of the logic of practice (Bourdieu, 1990). Jönsson (2005) argues that ethnographic approaches should be reintroduced to accounting and control research, where they have been relatively absent. Through the adoption of an ethnographically inspired research strategy I seek to grasp the processes by which control is achieved in action.

In broad terms, Yin (1984) states that field research is:

[...] an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between the phenomenon and context are not clearly evident; and in which multiple sources of evidence are used. (Yin, 1984, p. 23)

Typically, in field research there will be a spotlight on one case, which in my study is a record production. Following Merchant and Ferreira (1992) and Denscombe (2003), my study has focused on real tasks and activities and processes in natural settings and I have had direct, in-depth contact with musicians and different organizational members involved in music production. The first part of the empirical narrative that follows this chapter highlights the production of the album *Citizen Bird*. Interviews and direct observations provide the main source of evidence for this chapter’s analysis, along with formal contracts,²⁷ a record company’s business plan, a

²⁷ A record contract and a producer contract.

record group's budget, a record company's project budget, and a prospect to sign up for stocks in the record company, including financial reports for 2002 and 2003. My study also uses directives, laws, and legal propositions to understand the legal and political structure of the music industry. Besides, the study has been rich in informal talks, field trips, and telephone interviews. Music magazines, journals, musicdocumentaries, biographies, and popular science books have been edifying secondary sources.

I stated in the introduction that I wanted to investigate the conditions for cultural production, and try to understand its implications for cultural workers and consumers of cultural products. I also said I wished to raise the question about what happens to the content of cultural goods in general, and music in particular, under prevailing economic and social conditions in the music industry. In order to answer this part of the research topic, I included a research question that takes consumption of popular music into account. In order to answer what systems of classification exist in the field of Swedish popular music I have complemented the former empirical sources with:

- statistics from IFPI²⁸ Sweden on gold and platinum album and singles sales between the years 1999–2004
- 13 album releases listed in the Swedish magazine *Musikindustrin* of May 2004 and
- the hit list that covers the 60 most sold singles during the 10th to 16th of May 2004 published on the Swedish Radio website.

A content analysis of the IFPI statistics was used in order to find trends in what type of albums reach gold or platinum sales figures. I give an account on how I went about categorizing different albums

²⁸ IFPI is short for International Federation of the Phonographic Industry, i.e. the international trade association that represents the recording industry worldwide.

in relation to the presentation of this material in the chapter *Control and Music Consumption*. All of the data above was used in the analysis of classifying control mechanisms. To explore the people behind the music industry I have also used information from company annual reports from eight Swedish record companies and telephone interviews with company representatives. The selection of the record companies was non-representative. I sought a mix of majors and independents.

I report a detailed list of my study's empirical sources in Appendix 1. Appendix 2 provides examples of interview guides. Another important source of evidence I will draw on is experience, and I will move over now to a discussion of its role as supportive evidence of my conclusions.

Experience as supportive evidence and a means of interpretation

“Fieldwork usually means living with and living like those who are studied (Van Maanen, 1988, p. 2).” Ethnographic evidence rests on the practice of representing the social reality of others through the analysis of one's own experience in the world of others (Van Maanen, 1988, p. ix). Experience can function as a way of knowing both of our own and others' ways of being. Experience makes possible insight-interpretations.

In order to use experience in this way, the notion of ‘articulation’ is a useful one. Experience can be understood as a discursive ‘site of articulation’ upon and through which subjectivities and identities are shaped and constructed. This involves both how we are positioned in the world and how we reflexively find our place in the world. Thus, experience is not an authentic and original source of our being, but part of the process through which we articulate a sense of identity. (Gray, 2003 pp. 25–26)

Part of my identity relates to being a musician. During the time of this research project I composed, recorded and released a record (in November 2004) with my band. Being a practicing musician myself, and having lived together with a musician for a long time, I have been able to corroborate the findings from the case study with the experiences of two other social formations between musicians and corporations (the relationships in my own and my former partner's record productions). This fact has helped put me in the situation of the musicians I have interviewed, when trying to understand their theories-in-use and constructions of reality. I have not carried out a formal cross-case analysis (as described by Miles and Huberman, 1994) – it has been more a matter of comparing and contrasting the results from the Silverbullit case against my own experience.

To reiterate, the primary research object within the interpretative research tradition is individuals' and groups' lived experience of their reality. "Within the interpretative research tradition, therefore, truth can only be defined, as Lyotard (1991) claimed, 'as lived experience of truth – this is evidence' (Sandberg, 2005 p. 61)."

One possible way to approach some kind of "truth" in the social sciences is in terms of "intentional fulfillment." Intentional fulfillment is established when there is agreement between the researcher's initial interpretation of the object being studied and the meaning given in lived experience (Sandberg, 2005 p. 49–50). Sandberg brings up Heidegger's famous example of the use of a hammer: From a Heideggerian perspective it is first in the researcher's lived experience of using the hammer in practice that s/he can achieve genuine knowledge of what a hammer is. In other words, this notion of truth is achieved through fulfillment in practice.

A central implication of truth as intentional fulfillment is that truth claims are dependent on the researcher's understanding of the research object. This does not mean that truth becomes purely subjective. As argued earlier, everyone is situated in a specific historical, cultural, and linguistical understanding of reality, which is internal-

ized through upbringing, education, and work. The internalized understanding becomes to a large extent our framework for making sense of reality. (Sandberg, 2005, p. 51)

Since there may be difficulties associated with the concept of truth as intentional fulfillment regarding the possibility for an external person to judge the trustworthiness of my research, I have undertaken a number of procedures to facilitate this.

Trustworthiness

Positivistic research discusses trustworthiness in terms of validity and reliability. In the social sciences validity should be treated as an expression of craftsmanship, with an emphasis on quality of research, by checking, questioning, and theorizing on the nature of the phenomena investigated (Kvale, 1995). In order to attain validity, a researcher should also converse about the observations with others, as Kvale argues. Alvesson and Sköldbberg (1994) argue that inter-subjectivity is a good measure of the reliability and validity of interpretative types of knowledge. To return to informants from the field with preliminary interpretations, especially with those of critical social theories, is suggested by Jönsson and Macintosh (1997, p. 383). The potential use of critical ethnography as a research methodology is also discussed in a paper by Dey (2001).

First, I have engaged in continuous discussions of my interpretations with musicians. One musician read an early version of a manuscript and gave feed-back that particularly validated my interpretation on how control is achieved in the relationship between musicians and record companies. Other topics and themes I was encouraged to re-think.

Secondly, I have discussed, checked and validated interpretations of my material with research colleagues at Stockholm School of Eco-

nomics, the University of New South Wales and the University of Sydney as well as at conferences I have attended over the years of my research.

The main strategy I have adopted to secure the reliability of the study involves the idea of reflexivity. Gray (2003) describes a reflexive research process as one that is engaged in a number of dialogues. Apart from an active interrogation of the research categories in light of the data being generated, an ongoing dialogue with different theoretical frameworks, as well as with colleagues and fellow researchers, promotes a reflexive research approach. But perhaps most importantly, reflexivity means engaging in a dialogue with oneself (Hardy et al., 2001). The notion of reflexivity implies turning the instrument of social science back upon the researcher in an effort to control his/her bias in the construction of the research object, which according to Bourdieu is the most critical research operation of all (Bourdieu and Wacquant, 1992).

A key point in the idea of reflexivity, as formulated in Bourdieu and Wacquant (1992), is that the construction of objects and theories must be open to change as new experiences in the practical work appear. Likewise, in the empirical gathering of observational facts, vigilance will have to be paid to biased interpretations. I agree with these standpoints and I have striven not to be restricted to any predetermined methodology, but always adaptable to the actual research situation.

The informal kinship relations I have with both musicians and people on the administrative side of the popular music business have been invaluable for this research project, both when it comes to the gathering of information and in interpretations of the empirical results. I have tried to be careful to support as many interpretations as possible with explicit reference to written documents or quotes from tape-recorded, transcribed interview protocols. At the same time the interpretations build on numerous discussions with the

band, for example during a trip to New York for a showcase with Export Music Sweden in 2001. Another example is an informal meeting with their record company A&R, backstage after a performance in Stockholm in September 2003. I have kept a journal where I have put down reflections from meetings and discussions like these. The diary notes also include impressions and reflections on discussions and meetings with people who have not been formally interviewed. This proved to be fruitful especially in the stage of analysis. The journal notes were also included in the data coding process which was carried out according to a method proposed by Kvale (1997) referred to as “concentration of meaning.”

In a first step I gathered and organized my empirical material so everything was in the same format, i.e. printed texts. I separated the interviews and the contracts from the rest of the documents. The contracts were examined with regard to their content – notably commitments (demands and performances) and compensations. The first time I read through the interviews, no predefined theoretical notions were used to categorize and code their content. Instead, the interview material was organized according to two broad themes which evolved from a grounded theory inspired approach. These themes were *financial flows/exchanges at the macro level*, and *control mechanisms at the micro level*.

As Taylor and Bogdan (1984) point out, data analysis is an iterative process in which data collection and analysis go hand in hand. Throughout participant observation, interviews and other methodological procedures, researchers keep track of emerging themes, read through their notes and transcripts, and develop concepts and propositions to begin make sense out of their data. The iterative process is typical of how I have worked with empirical material and theoretical development.

Some time after I had collected the major part of the empirical data I developed a theoretical framework that focused on three analytical dimensions in *Gemeinschaft* and *Gesellschaft*. I used it to sketch a

structure of the information from the field into empirical chapters.²⁹

Figure 4: Sketch of analytical categories, empirical instances, and structure of empirical chapters

CONTROL IN MUSIC PRODUCTION	Analytical categories	Control focus	Governing logic	Types of control mechanisms
	Empirical Instances			
	Forming of band	Creation of value		
	Contracting			
	Manufacturing			
		Distribution of value		
Micro				
Macro				
CONTROL IN SOCIETY TODAY	Reception / Consumption	Consequences for the musical content		
		Consequences for musicians		

I worked through the interviews once again and organized them according to the analytical categories. This also provided an opportunity to translate illustrative empirical narratives from the interviews into English. I simply constructed a figure in Microsoft Word ® into which I put the empirical data. This is an excerpt:

²⁹ The attentive reader will note that this is not how I finally ended up structuring the empirical part of the book. I have included the figure to illustrate the iterative, unpredictably evolving nature of conducting research and writing up a thesis. Generally in this chapter I will describe the research process from a retrospect of how the research evolved over time and how insights and understanding gradually took form and led up to the conclusions that will be finally presented in this book.

Figure 5: Data analysis method

Analytical category	Empirical narrative	Analysis/ Interpretation
Governing logic	A lot of detailed planning can be spoiled in a wink of an eye. Still you need to have clear guidelines and goals you work towards. As long it is possible you should work toward pre-defined goals. But then all of a sudden there is some journalist who gets an idea and blows something up on a whole page and then some TV show calls and everything is changed and you have to be extremely quick and decide whether you should re-prioritize and take marketing money from somewhere else and re-direct everything (Per, Helin, p. 9).	Must take in external input and be flexible and re-prioritize. Construction of value is not an internal affair. The power of the external environment and its internal effects.
Type of control mechanisms	No I don't have any direct contact with journalists. The Promotion department on the other hand – they try to make friends with everybody [laughs]. No but of course we try to have... they are dependent on us and we on them so that is mutual. The same thing goes for radio, if you disregard commercial radio where you buy yourself in more or less (Per Helin, p. 9).	Commercial sociability Reciprocal dependence

The greatest merit with transcribed interviews is that they permit the possibility to return and analyze literally every word that has been uttered during an interview occasion. This circumstance invited me to go “deeply” rather than “broadly” and pick out the most important interviews – those with the central actors in music production –

and go beneath the surface of what was said, in order to search for latent meanings in the respondents' statements. However, the data in this thesis project has not only been interviews. I have used numerous sources of evidence as a tactic to increase what Yin (1994) refers to as a study's "construct validity."

I shall bring this chapter to a close with a paragraph on the possibility to generalize from my study's findings. Case studies rely on analytical generalization which strives to tie a particular set of results to a broader theory. In my interpretations I repeatedly link empirical findings to the theories this thesis uses, and thus point to the possibility of generalizing from particular empirical instances.

PART II

CONTROL AND PRODUCTION AND CONSUMPTION OF POPULAR MUSIC

THE FIELD OF POPULAR MUSIC

Before I re-address the research questions, this background chapter aims at giving a depiction of the industrial characteristics of popular music production and consumption. Through a historical retrospect, I examine the mechanisms that have been imperative in making possible economic and musical exchanges between producers and users of popular music. New technologies play an important role in this ongoing process driven by a search for new forms of music use to which exchange values can be tied. The chapter continues with a portrayal of the organization of the global music industry and its gender structure. The following three sections are motivated by the research aim outlined on p. 22.

A historical retrospect on use and exchange values

In 1877 Thomas Edison invented the phonograph, which can be seen as a starting point for the commercial diffusion of popular music, even though at the time Edison never anticipated that the main use of his invention would be the reproduction of sound in the form of music (Tschmuck, 2006).

Most historical accounts of popular music begin somewhere during the 1950s, with the development of youth culture, and the birth of rock 'n' roll and the advent of Elvis Presley. All narratives of the development of popular music are of course selective, subjective, and fragmentary, and so will be mine. Let me start by clarifying what I understand by popular music.

There are numerous definitions of “pop music.” Some general traits that appear in various descriptions of pop music are: popularity, commerciality, simplicity (music technical wise) and catchiness with an emphasis on melodies. Popular music is also distributed via mass media, and it is an important part of popular culture. In the West, pop music has come to mean the continuously changing styles derived from electronically amplified music. In this thesis I adhere to a broad definition of pop music, which embraces several sub-categories such as electronica, disco, punk, and hip-hop. I consider the production and consumption of all of these styles, and many more as taking place within the field of popular music.

In the late 19th century, a genre of American popular music arose from the American song-publishing industry, the so called Tin Pan Alley. Tin Pan Alley was made up of the music of songwriters of ballads, dance music, and vaudeville, and its name eventually became synonymous with American popular music in general. When these genres started to become established, the most profitable commercial product of Tin Pan Alley was sheet music. Over the years, exchange values have been able to be tied to various products – cassette tapes, vinyl records, CDs, digital files. For a long time, and still under present structural and economic conditions, copyrights constitute an important underlying commercializable asset. Copyrights are at the core of the industry, which is one of the reasons illegal downloading of music from the Internet has become virulently debated as a significant threat to the holders of copyrights.

Exchange values can also be tied to live performances. Concerts constitute a possible source of income for concert arrangers and musicians, and indirectly also for record companies and publishers through an increased promotion of other saleable music formats. The focus in this thesis is, however, delimited to recorded music and the production process that surrounds the making of an album.

Once the music has been recorded and commodified, the crucial process starts where outsiders to the initial creation, such as journal-

ists, booking agents, and radio disc jockeys, begin to legitimize or downplay the aesthetical content of the product. The power of radio stations was particularly important in the beginning of the history of pop music, so that during the 1960s payola became a commonly adopted practice among record companies. Payola means paying money or offering gifts in exchange for airplay. These practices can be found even today, as Ola Borgström claims:

It's important to be playlisted on the radio but it is tough because the commercial radio stations' have deals with the big companies. The only radio station with integrity is P3.³⁰ (Ola Borgström, Founder of Fine Tone Recordings, September 2001)³¹

Another person from the industry says that before the commercial radio stations even listen to a song you have to present them a marketing plan.

In the early days of the radio, the music industry feared people would no longer pay for records when music was now accessible for free in their own homes. And sales figures did dip in the late 1920s and early 1930s, but we should keep in mind that this was a time of general economic recession also. By the end of the thirties, record companies and radio stations which had seemed to be in deadly competition, had now become inseparable. The reciprocal relation consisted in radio's promoting the record companies' stars, while the record companies provided radio with its cheapest form of programming. Radio, after all, did not kill the record star, as Simon Frith (1988) put it, alluding to the song title "Video Killed the Radio Star" by the band the Buggles who sang about the golden days of radio. Frith also noted that while record sales plunged over all with the entry of the radio, music styles that were not aired at this time; jazz for example, showed instead increasing sales figures.

³⁰ P3 is one of the Swedish public radio's largest radio channels.

³¹ Interviews done in Swedish have been translated by the author. These include all interviews referred to in this second part of the book.

A number of payola scandals were revealed in the United States in the 1960s, and as a result of the hearings that followed, legislation was passed by the Congress, making payola a federal criminal offence, punishable by a fine of up to \$10,000 and/or imprisonment for up to one year (Eliot, 1989). Some of the consequences of the payola scandal were that radio disc jockeys lost autonomy as musical experts, and they became forced to work off pre-selected playlists. Independent rhythm and blues records almost immediately disappeared from the radio programs, and since the investments became too risky for the independent record companies, many smaller independents disappeared from the market, selling their catalogues to the larger companies (Eliot, 1989).

When The Federal Trade Commission outlawed payola as unfair competition, the Bureau of International Revenue declared that organizations that engaged in payola had committed bribery and therefore the payments were not deductible as legitimate business expenses (Eliot, 1989). Yet this didn't have any remarkable effects on profits in that the 1970s were still a decade of good sales revenues for the record companies. In 1973 CBS's profit was \$25 million, WEA's \$22.2 million, and Capitol's \$5.2 million. A few artists stood for the largest part of the sales. Therefore the companies were not afraid to spend money on those artists that earned the most. A PR executive at Atlantic, quoted in Eliot (1989, p. 172–173), says: "It was the heyday of rock excess, when everybody was rolling in money and there were limousines to take you to the bathroom. The company rule was: Whatever it takes, you do it to keep everyone happy."

An extravagant culture developed during these times when money was not a scarce resource, and institutionalized practices remained strong long after the profitable economic situation changed. In 1981, when music television, MTV, appeared for the first time on the popular music map, suddenly the pop video became as important as the pop single as a means of communicating music. Artists and labels needed not only to make it to the radio charts, but they

needed to top the video charts as well. The birth of the music video helped re-boost declining sales in the late seventies, and it became increasingly common to use music in commercials, TV shows and films.

While generating income, music television also meant spending. Making a video can cost a lot of money. A Swedish music journalist who used to work as a product manager for a major record company during the 1990s remarked that during the time of his employment, marketing expenses skyrocketed:

Marketing expenses were growing enormously and the single largest entry was video expenses. The companies couldn't resist this growing cost trend because when only one-million-dollar videos are rotated on MTV, cheaper productions are not an alternative. (Swedish music journalist, June, 2002)

Cheaper productions were not an alternative because MTV's notion of a good video was equal to an expensive video and therefore cheap videos would not be selected to be aired. Also at this time during the early 2000s, I was taking part as an observer of a music video film shoot, and the instructions to the film team from the supervising major record company A&R that stuck with my mind were: "The most important thing is that it looks expensive."

From the position of the record company there is usually no incentive to lay low on music video and similar types of costs, since they are typically charged back to the artists. This is one contributing factor for the slow adaptation of record companies' cost structures during the tougher economic times that began in the 1990s. Apart from MTV, the other big happening in the eighties was the appearance of the CD as a new format for distributing music. When the CD burner turned up on the market, the industry fear was once again awoken as in the early days of the radio. This fear was going to come back once more in the shape of the Internet.

At the dawn of the Internet era, the threat was notably experienced by physical record stores which met competition from Internet-based CD stores. Looking at recent developments, information technology continues to play an important role in shaping the future music business, with digital music formats breaking the ground. The early days of music distribution on the Internet were perceived by large music corporations as a big threat, while smaller artists (both in terms of financial strength and market reach) saw endless possibilities to communicate their music via this new distribution channel. At the turn of this century, downloading music from the Internet became widespread practice, perhaps notably among younger users. However, the first versions of peer-to-peer based websites like Napster had not solved the copyright issue, and after several major litigations many of the largest websites had to close down.

The industry response at this time was to strengthen copyright legislation and to legislate fees on recordable devices. Internet-based music stores for digital formats (notably mp3-files) also started to appear. iTunes music store is one example. Both Apple Computer and its competitor RealNetworks reported increasing consumption through their respective services according to *Billboard* (9/20/2003). But at 99 cents or 9 SEK per song, which has become an established market price, making profits by selling music online according to traditional business models seems hard. Under existing arrangements, about 75 cents will go to the copyright owner and his/her associated right owners, and credit-card processors will take another 5 cents. That leaves just 19 cents for marketing, technology, and all other costs. *Business week* predicted that the rush for market share would force services to slash prices and to find other ways to make money (*Business Week* 10/13/2003). An important source of income that has appeared for the computer companies is revenue from selling mp3 devices.

While many of the first peer-to-peer sites for downloading music illegally have disappeared (and in the case of Napster – reappeared in a legal version) there are now several legal and questionably legal alternatives to peer-to-peer or sharing-based websites. The web-based actors' income models are typically grounded either on subscriptions (which is the case of Napster and eMusic for example) or on advertising income such as Dailymotion, YouTube and MySpace. These latter companies offer a platform for exchanges where copyright holders continue to retain all ownership rights. Dailymotion and YouTube are websites that permit video-sharing among users who can upload, view, and share video clips. MySpace is a community on the Internet for friend-making, music-sharing and more. Because these sites don't claim ownership rights to any content (photos, video, musical works etc.) that are put up on the site, they assert there is nothing illegal about their business offers and upon request they take away copyrighted content from their sights.

Both YouTube and MySpace were started by entrepreneurs and grew out of an understanding of the users' perspective and desires. The great number of users these sites have managed to attract has made possible an inflow of advertising income. Hand in hand with their expansion the organizations' corporate governance structures have also changed. At present MySpace is owned by Rupert Murdoch's News Corporation, and YouTube is owned by Google. In March 2007, after unsuccessful attempts to take part of YouTube's advertising income, entertainment giant Viacom sued Google and its online video subsidiary YouTube for \$1 billion for copyright infringement, but many law specialists believe the case will settle outside of court. The majors have had better luck in their negotiations, or at least they anticipate greater advantages from cooperating with the Internet actors than from taking legal action against them.³²

³² "Viacom sues Google over YouTube clips" by Anne Broache and Greg Sandoval. Published March 13, 2007 on www.news.com.

One thing that doesn't seem to change much from a historical retrospect though, is the unceasing supply and demand of music in society. What the future holds in terms of business models for music production remains to be seen. The same goes for the future landscape of music consumption. The roles of record companies, publishers, artists, and users of music will most certainly continue to transform. An important question that arises from an analysis of the current situation is, who will take financial responsibility for the production of music in the future.

In October 2005, the General Conference of UNESCO adopted the *Convention on the Protection and Promotion of the Diversity of Cultural Expressions* as a response to the current situation where the production and distribution of cultural goods increasingly depend upon industrial and commercial considerations. In this meeting, a set of normative conventions in favor of cultural diversity that were initially drawn up in the year 2000 were completed. The convention permits countries to exclude cultural goods, like music, from the list of commercial goods that fall under the rules governing international trade. The principal objectives of the 2005 Convention were: to recognize the right of States to formulate cultural policies; to adopt measures in favour of the diversity of cultural expressions; to recognize the distinctive nature of cultural goods and services insofar as they convey identity; and to recognize the link between culture and development and the importance of international cooperation.³³

Music as a cultural phenomenon is not particularly nation-bound and therefore the need for intercultural and international cooperation is important. 154 out of 156 countries voted for the UNESCO convention; only USA and Israel voted against it. The influence of American popular culture in general is strong in Sweden, as in many other countries. All of the Swedish large corporations in the music

³³ http://portal.unesco.org/culture/en/ev.php-URL_ID=11281&URL_DO=DO_TOPIC&URL_SECTION=201.html

industry are part of global groups; many of them have US mother companies.

Organization of the global music industry

The popular music industry is a truly global business, organized into a handful of large transnational corporate entities, or majors, and a great number of relatively small so-called independents or indies. The majors are typically part of huge media conglomerates, many of them present at several of the world's largest capital markets.

I have referred earlier to an opposition between restricted production and large-scale production within the cultural field. Similarly, within the field of popular music there is a divide between commercial music (connected with majors and large-scale production) and independent, alternative music (connected with indies and restricted production). While majors as well as indies need to relate to general business economic demands as profit-seeking companies, they operate under these somewhat different governing field-logics.³⁴

It is difficult to give a permanent depiction of the organization of the popular music industry since it is characterized by continual mergers and interorganizational reconstructions. Over the last couple of years different combinations of courtship have taken place between the media giants, as well as between the major record companies who, through fusions, wish to challenge leading Universal Music Group. At the time of writing, Universal Music Group is included in the NBC Universal conglomerate which formed in 2004 through a merger between General Electric and Vivendi Universal. The company is 80%-owned by GE, and 20% is held by the shareholders of Vivendi Universal Entertainment.

³⁴ Which I elaborated upon on p. 76 ff.

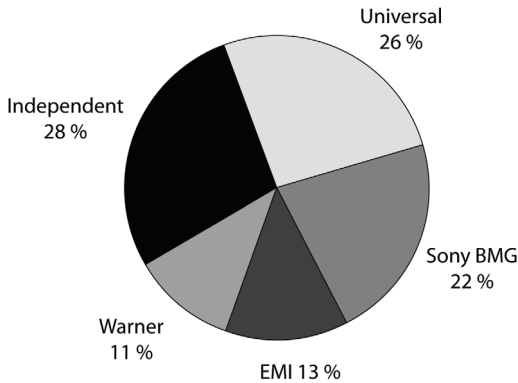
The current regulatory environment is taking precautionary measures to safeguard the smaller companies' position in the music industry, and the proposed mergers between EMI and Warner in 2000 and between EMI and BMG in 2001 both failed. If the EMI Warner merger had become realized it would have created the world's largest music group; but the anti-trust authorities of the EC concluded that cultural diversity and consumers' choice were at danger in a market where smaller players risked further marginalization (*Music Business International*, August 2001).

In December 2003, BMG and Sony announced plans to merge and the proposal was under examination by the European commission for a six month period before late July 2004, when both the European commission and the US Federal trade commission declared their approval of the Sony BMG merger. Even though the same arguments were brought forward by the authorities in the initial stage of the merger-negotiations between Sony and BMG, in the end the EC claimed they could not prove the likelihood of either higher CD prices or fewer music choices. Surprise and disappointment were echoed in independent music media. In a response to the final decision of the EC and US anti-trust authorities, Pitchfork media pointed out that when Universal merged with Polygram in 1998, 300 bands and artists lost their contracts³⁵ – an evident sign of reduction of musical diversity, according to this source. In connection to the announcement of the merger, Sony BMG declared that they intended to cut the work force by 25%, but no details regarding cut-backs on artist contracts were communicated.

By 2004, according to IFPI, Sony BMG was the next biggest record company in the world with a 21.5% market share followed by EMI at 13.4% and Warner at 11.3%. Universal maintains its leading position with a 25.5% share of the world market, which is nearly as large as the whole independent sector together, with a 28.4% global share.

³⁵ <http://www.pitchforkmedia.com/page/news/2004/07/21>

Figure 6: Majors' and independents' market shares



The numbers represent the market shares in 2004 and have been collected from IFPI's website.³⁶ IFPI is currently reviewing the market share definition with the companies to reflect market developments including digital sales.

The music industry's gender structure

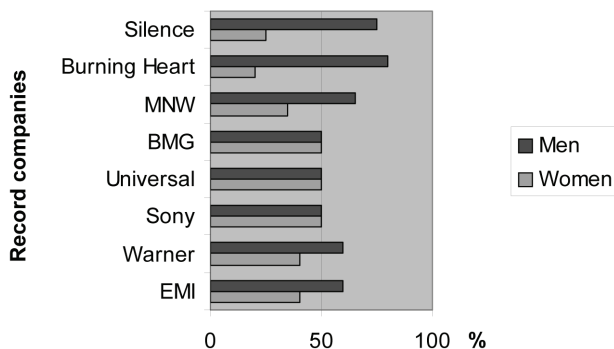
Coser et al. (1982), who have studied the culture and commerce of book publishing, devote a large part of their book to an analysis of the people behind the making of books. Over the years, changes in the nature and structure of the book publishing industry have resulted in some occupational changes, most of which have been conducive to the increased employment of women. Yet, the authors conclude that with few exceptions, women have remained at the bottom of the occupational hierarchy (Coser et al., 1982, p. 173). Kanter (1977) has emphasized that "men prefer men" as an explanation as to why men dominate leading positions in the business world. Further, male managers feel uncomfortable when it comes to women's ways of communicating. Therefore it is easier for men to

³⁶ www.ifpi.org

choose other men whose language they understand and feel comfortable with. Lipman-Blumen (1976) claims that men can satisfy most of their social needs through other men; as such men are homosocial. Women, on the other hand, who have held subordinate positions to men, and thereby have had to relate to dominating male norms, have developed heterosocial behaviors and ways of communicating. Homosociality between men is a distinct feature of the popular music industry. Men form bands and play together, tip each other about new music, discuss music together, read music reviews written predominantly by men, and go to clubs where female d.j.s are rare.

Given my critical perspective, an important assignment becomes to map the structures and prevailing norms among the people who make up the popular music industry. A mapping of the gender structure among all employees at eight Swedish record companies shows that in total men constitute the majority even though three of the major companies – Sony, Universal and BMG – present an equal distribution of men and women (this was before the Sony BMG merger).

Figure 7: Distribution of men and women among all employees



The chart is based on information collected from company annual reports 2000/2001, or from the companies' homepages in 2004.

Complementary information about the distribution of men and women in certain positions within the companies were collected either from the homepages or from shorter telephone interviews with company representatives. Certain positions are clearly gendered. EMI is the only company with a female CEO. Women are generally to be found in positions such as marketing assistant, financial assistant, and positions related to marketing. In leading positions, women work as Head of International Exploitation (Universal, EMI and Warner), PR Manager (EMI and Universal), and General Manager (EMI). At Silence, a woman shares A&R responsibility with three men. The distribution of responsibility at a small company such as Silence is of course difficult to compare with the larger bureaucratic organizations. There is not a single female A&R to be found at any of the major companies. At MNW there is one female A&R and the Senior Vice President of A&R is a man.

There seems to be awareness among record company employees about the gender order in the popular music industry. "The music industry has historically been dominated by men, and all Swedish majors are part of American groups that have a very hierarchical structure," says an Accounting Manager at a major record company. The President of the record company MNW gives a similar depiction of the music industry. He describes it as "extremely conservative, patriarchal and hierarchical."

The gender structure of the popular music industry provides important background information to my attempt to understand implications and consequences of the production and consumption of popular music in today's society.

CENTRAL ACTORS IN MUSIC PRODUCTION

This chapter introduces central actors in a case of popular music production. The first section focuses on the Swedish band Silverbullit and the following sections give closer presentations of the Scandinavian record company MNW, and Creator Music, a publishing label at one of the world's largest publishers Warner Chappell. At the time of my case study these actors had cooperated and released music over a number of years, notably in the Swedish market, but also in Europe and in the US market through a license agreement with New York-based Stinky records. My narrative focuses on the production of the album *Citizen Bird* (Swedish release in March 2001 and US release in April 2002).

The chapter explores how each actor, from its own distinct perspective defines purposes, goals, and means to reach these goals. It also describes what musicians and A&Rs seek to achieve; what their perceived control problems are, and what meanings they see in the business of music.

The band

The Swedish band Silverbullit was formed in Gothenburg in the early 1990s. It consists of five musicians: Simon Ohlsson (vocals, keyboards), Jon Ölmeskog (keyboards), Andreas Nilsson (guitars), Jukka Rintamäki (bass, vocals), and Anders Gustafsson (drums).

The Gemeinschaft of Silverbullit

Music production starts with the making of songs. Ohlsson and Rintamäki are the band's composers, but every member of the band contributes with his own specific expertise and is involved in the arranging and making of the final versions of the songs. We can think of the creation of music in a band's rehearsal room, or of their work in the recording studio in terms of Gemeinschaft. The social order and division of labor that arises in these situations appear more or less natural and can be sustained without any extensive formalization of the relations between individuals.

The Gemeinschaft gestalt dominates the image of Gesellschaft in an early stage of music production, partly because the character of the relationships is not essentially based on purpose or intent. The making of music is often described by musicians as an activity of pleasure, sometimes of a must; but rarely is it described in terms of a goal-fulfillment project. Musicians rather talk about music as a meaningful than a purposive activity.

We started playing together some twelve years ago. At that time it was nothing serious. You can't say why you start playing; you just do it because it's fun. In my case, I had heard that Simon and Andreas had started playing together and I thought it sounded cool so I asked if I could join, and besides there was an organ in the rehearsal room. But over the years, things have changed. I don't think we play because of the same reasons now as we did back then. [...] Something has been started and I have a very hard time thinking "well in two weeks I'm going to quit the band." It becomes a large part of your life, and it gets more and more important – it is an important part of your life now. (Jon Ölmeskog, Organist, June 2003)

An extract from an interview with Silverbullit published in the magazine *Metica* (2004-12-14, my translation) illuminates Tönnies' proposition that there are typically conflicts in Gemeinschaft. But remember how Tönnies (2001 [1887] p. 52) pointed out that con-

flicts of this sort should be understood as the seamy side of *Gemeinschaft* rather than as a threat to its dissolution.

Rintamäki: There has always been a very strong self-confidence present in the band, regardless of response, already from the start when it really didn't sound good. We criticize each other a lot and look down upon each other's ideas all the time.

Ohlsson: This makes you invulnerable to all the rest of it.

Interviewer: Is that how you work – tear each others' things apart just to rebuild them again afterwards?

Rintamäki: Actually, yes. A lot of time is spent on defending your idea or pursuing someone else that a certain thing should be done.

Ohlsson: Definitely. We are one of the most self-critical bands there are in this country. That's why it takes such a long time between the records. Or – what others call a long time. I don't think it's a long time. So much crap is released that is not worked through. When our music is released it's quality – it's really good.

At the same time, the dominating principle in this conflict is to achieve quality, which can be seen as an intention based on value rationality.

Further *Gemeinschaft* traits of the musicians' internal relations are put forward in a group discussion with the band where I asked them how they work together, if there are agreements and compromises, and if there is any such thing as a "band voice." The band members fill in each others unfinished sentences and answer in a fashion that makes me associate it with the way a long-time married couple talks in unison.

Ohlsson: Yes there is. But it's often during hours of discussion you find something you like.

Ölmeskog: Yes, we have a common ground. It's not like we find a compromise but more like a...

Ohlsson: ...fusion.

Ölmeskog: ...common solution that everyone can be happy with in the end. But I think that's the scourge that there are many strong opinions in the band. It may take a long time sometimes.

Rintamäki: But that is also something we spoke about earlier – what's good for a production – I think first and foremost it's patience and the will and strength to continue working on things. Time is pretty important for us as a band. We use it to find out what we really want to do. And that's something I experience when I listen to other bands that it could have been better if they had given it more time.

Ohlsson: Another thing is that we have played together for years now. I feel this band voice becomes stronger and stronger as time goes on.

In brief, music-making is thought of as a meaningful activity to the musicians. The musicians give prominence to the intrinsic values involved with composing and making music together. Music-making is subjected to value rational judgements which consist of making good music – what is oftentimes referred to as “art for art's sake.” The internal band relations seem to work effortlessly; partly due to a strong common artistic vision, partly due to a shared history and pleasure in playing together. Therefore the demands and performances in the internal band relations can be interpreted in terms of *Gemeinschaft*.

Musicians' control focus

This subsection discusses what it is the musicians strive to control in the music-making process. Simply put; it is the music. Utterly, the control impulses from the musicians are directed towards securing the creation of musical experiences (doing good performances) and aesthetic values (making good songs).

For Silverbullit, lights and sound are very important ingredients to a live performance. Therefore they have arranged it so that the

sound and light technicians are guaranteed minimum salaries, to the effect that they may earn more from a performance than the band members. The singer says that one of the first things he would put more money into with a larger budget would be light effects.

The musicians' focus is on the music's qualities, and they associate my open-ended questions of control with the topic of how to make good music. This may involve the composition of music as well as the writing of lyrics. The composer, singer and guitarist Theodor Jensen from the Swedish band The Plan talks about a fit between the hand-craft of music and the vision set out for it.

I strive to make the lyrics waterproof in relation to the vision set out for a song, so you may say that The Plan's lyrics are waterproof. (Theodor Jensen, interview in DN, September, 2004, my translation)

The musicians express more evident feelings of confidence regarding the controllability of the musical content than they do regarding the controllability of their music's potential exchange values.

If our records are played a lot on the radio that will generate income from other sources. That is some sort of strange circle you cannot control. (Jukka Rintamäki, Bassist, Silverbullit, June 2003)

The following section takes further this sense of a lack of controllability on behalf of the musicians. What is it musicians feel they can not control or wish they could control better?

Musicians' control problems

An intriguing problem is how creative processes such as composing are controlled – whether it might be meaningful to talk about any such thing as creational control – but that is a topic I decided I would have to leave for other researchers to explore. One argument in support for this delimitation is that according to several musicians I have spoken to, it is rarely the music that poses any problems,

both generally as well as in terms of control. However tough the demands made by the musicians may be regarding the music they create and the aesthetic visions they try to achieve, it is more often “all the rest of it” which is experienced as problematic. One musician says that control problems don’t exist in the creational processes – “it’s more personal things, like messing up in other ways – contracts and things like that.”³⁷

Control problems that are perceived as such are also oftentimes connected with musicians’ personal lives. An illuminating example of problematic professionally and personally intertwined band-internal relations are portrayed in the documentary *Metallica – Some Kind of Monster* (2004) which gives insights into the San Francisco based band Metallica’s work with the album *St Anger*.

To have a public career may imply psychological and social pressures and concomitant risks such as alcoholism or other substance abuse. The payment for a live performance is rather often just a case of beer. Giving late concerts and travelling a lot easily result in sleeping disorders. Seen from a general health perspective, the musician’s work place is not always optimal.

A pressing problem apart from these psycho-social factors is managing to make a living – both in absolute economic terms, and under the circumstance of income flows with uneven and highly probabilistically unforeseeable periodicity. Being able to live off of making music usually means economic sacrifices in the beginning of a professional career. And there will continuously be great risks connected with an investment in an artistic career. Silverbullit’s guitarist explains that he has chosen to take humdrum jobs besides playing with the band since even if he would make a larger investment in his musical career it would still only permit him to live very poorly.

It has never been about earning money. That’s not how it was from the start, and that’s not how we think today; it is a more peripheral

³⁷ Interview with Silverbullit in *Metica* 2004-12-14.

reason. Actually, it doesn't even exist, since we can make gigs even though they're not generating any income. It really isn't about that. (Andreas Nilsson, Guitarist Silverbullit, June 2003)

Unlike the guitarist, the singer and the bassist who are the composers in Silverbullit don't have alternative day jobs. They can barely make a living from the music and they find it problematic that making music and making money should be so antagonistic.

There are so many myths involved in this thing about music and money and one of them is that money corrupts artistic endeavors but I often feel that if I earn enough money to buy some food and feel pretty good then I can feel incredibly proud and important and write songs, and I feel I have earned this money because I have made good music in the past and I can continue doing it. (Rintamäki, Silverbullit, June 2003)

Nilsson partly accepts these kind of problems and also experiences a dilemma regarding how to balance short-term economic gains against a long-term artistic reputation. When he speaks about the band's manager he says that he has heard from various publishers that "he always wants unreasonably much money." Nilsson and the other musicians appreciate that the manager is good at getting the bid up in contract negotiations. But there seems to be another side to this:

That's what his business model is founded on when it comes to gigs too. He arranges those gigs that generate the most money. That might not be in any good clubs but instead at the "Mariestad's festival," and in a way it's good that you get a lot of money for that show, but at the same time you must have a long-term perspective and then it might not be so good. (Nilsson, Silverbullit, June, 2003)

Analyzed in relation to other actors' rationalities, it can be said that the musicians' logic for practice are first and foremost directed towards positioning themselves in the cultural capital based domain

of the field, governed by a reversed economic logic (Bourdieu, 1993). Even though the band has engaged the manager to represent their interest, the manager will of course only be able to act from his particular habitus and standing in the field. While the band and the manager play a game in the same arena, they may still pursue individual and diverging trajectories. To Nilsson there is a need to safeguard a status that might be damaged by performing in certain types of venues – the Mariestad’s festival being an example in his mind. Reasoning along these lines seems to be unknown to the manager. The quote from Nilsson also expresses his perceived difficulty in foreseeing the “exchange rate” between economic and cultural capital.

The musicians in Silverbullit relate to a prevailing norm within the independent and alternative field of restricted production in the music industry that dictates that money corrupts artistic ambitions. This discourse is further reinforced by a widespread notion among certain music buyers and creators alike that culture should be protected from the laws of exchange and that it should stay a common good. Due to prevailing norms such as these many musicians will downplay the importance of money according to their habitus, and once again, their relative position in the part of the popular music field which is at a distance from the economic pole. These musicians anticipate the risk of losing credibility and cultural capital (which is their primary power base) if they join in the “economic game.”

However, the citation from Rintamäki above (“There are so many myths involved in this thing about music and money and one of them is that money corrupts artistic endeavors etc.”) diverges from this general analysis. In my interpretation, this is because Rintamäki has considerable experience – he has composed and played for over fifteen years, and he has documented good reviews of previous record releases. He is member of a band that has a reputation for integrity, and for being a great live act. Rintamäki also composes music for others than Silverbullit. In 2005, music from *Citizen Bird*

was used in a dance performance at the Royal Danish Theater. All of these factors create legitimacy and help explain this particular musician's position in the field. Rintamäki can be confident in his identity, competence and position in the field of popular music. And thus, he does not need to relate anxiously to the prevailing norms, conventions and dominant logic. He has the power to dare challenging it.

By way of conclusion, it can be said again that the musicians work hard, albeit somewhat differently, to position themselves in the popular music field. Numerous examples show that they are prepared to make substantial material and financial sacrifices to maintain cultural capital.

The record company

This section starts off with a brief note on the first small record company Silverbullit signed with. The continuing main focus will be on MNW and their strategic reasoning, both from an organizational perspective and from an individual perspective represented by Silverbullit's A&R, who was moreover Senior Vice President of A&R and Manager of the record company. In succeeding sections I try to lift the discussion of A&Rs' control focus and control problems to a more general level by incorporating interview material from American A&Rs³⁸ and one Swedish A&R – all of them employed at major record companies.

An extending Gemeinschaft

Silverbullit was initially signed to a small record company, Fine Tone recordings, which released one record with the band in 1997 before they were sold on to NONS – later to become incorporated as a sub-

³⁸ Nota bene – interviews with American A&Rs were not conducted by the author.

subsidiary label to MNW. Early on the band made a reputation for being a great live band. The music was experimental and the singer was very charismatic. Ola Borgström, the founder of Fine tone recordings says he had not been thinking of starting a record company before he heard and watched Silverbullit play, and he felt a strong conviction that more people should be able to discover this band's music. Driven by this idea, he started a business, which he remembers was easy. The company did not own anything except for a computer, a fax machine and an address directory to music journalists. A studio was rented and when the record was produced, a distribution company charged Fine Tone Recordings a commission in relation to potential sales. Borgström remembers the break-even point was at 2000 copies sold. The music climate for alternative music in Sweden was very good around the mid-nineties. According to Borgström, the evening papers' entertainment sections were crying out for new music so marketing handled itself.

The band's engagement in a business relation with Fine tone recordings can be thought of as an emergence of an extended *Gemeinschaft*. In *Gemeinschaft*, relations are few and intimate and the bonds between the members of a *Gemeinschaft* are founded in pleasure, memory and habit (Tönnies, 2001 [1887] pp. 22–51). Borgström talks about the work with Silverbullit's record as fun and easy. Further, Borgström did not express any calculative or financially goal-oriented motivations for signing Silverbullit. There was an underlying motive there to make Silverbullit's music heard, but at the same time there was also value as such; pleasure in any case, in developing a relation with the band. At this point in time it was question of a fellowship-like relation between Borgström and the musicians.

As has been noted, in 1997 Silverbullit left Fine Tone Recordings for MNW. The rest of this section concentrates on MNW's strategic reasoning and positioning in the field of popular music, and on the

control focus and perceived control problems of record company A&Rs.

MNW in brief

At the time of my empirical study, MNW was the largest independent record company in Scandinavia. Turnover amounted to about 160 MSEK and the market share in Sweden was 7% in 2001. MNW capitalizes on two main sources: active artists with which recordings are undertaken regularly, and rights to old recordings, which constitute MNW's back catalogue.

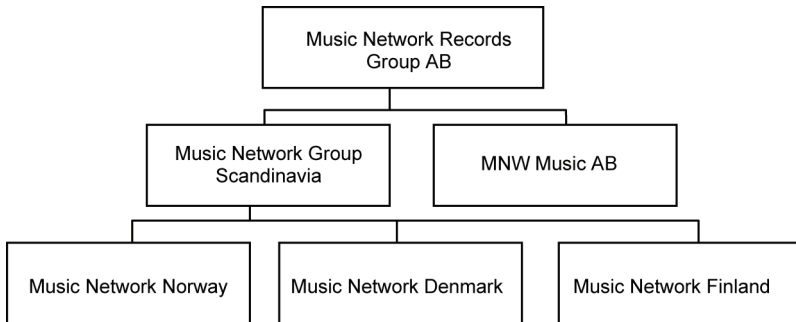
MNW was founded in 1969 as an "alternative record company," and during the 1980s the record company operations were complemented with a new business area that dealt with the distribution of other companies' records, mainly foreign records, in the Nordic market. However, in a press release dating from August 2003, MNW announced that the company wished to return to its roots, and that it would start phasing out the distribution branch of the business since it had been running losses for several years. Increased competition on the distribution side pushed distribution margins down from around 30% in 1997 to 20% in 2000. Decreasing distribution margins as well as declining sales in the early 2000s, together with increased tie ups in capital, made the distribution branch unprofitable in spite of impressive cost savings. In March 2003, collaboration with a third party distributor had recently been initiated. The argument for the collaboration was that it would permit MNW to focus on and strengthen its position as an independent record company in the Swedish market.

In 1998 MNW listed on the NGM (Nordic Growth Market), but since the interest for trading in MNW stocks never gathered momentum, the company was soon to be de-listed. The board of directors set the last trading day as October 8, 2003 and announced that the reason behind this decision besides the limited interest in

its stocks, was the high costs it implies to be a listed company.³⁹ After some financially difficult years, in June 2004, MNW was acquired by Push Music Group. The new chair of the board of Push Music Group declared in a written commentary that “a new company has been formed that seeks to secure one of Sweden’s most important musical national treasures in Swedish interests.” It should be noted that the analysis of interorganizational control that follows in the next chapter focuses on the relation between MNW and the other actors before MNW was acquired by Push Music Group.

In 2001, when I started collecting data from MNW, the organization operated from headquarters in Stockholm with local branches in Norway, Denmark and Finland. The total number of employees was 66, with seven people on the executive body; the CEO, the controller, and the managers of A&R, marketing, sales, distribution and inventory. The group structure is depicted below.

Figure 8: Music Network Records Group structure



Music Network Group Scandinavia constitutes the operations of the record company that I refer to simply as MNW throughout the text.

³⁹ Press release September 22, 2003.

Strategies, goals, and financial control

The vision of MNW is expressed as follows in the business plan as of 2001: “to be the modern, healthy record company with the artist in focus,” and the business concept is “to produce and market interesting music for the Swedish as well as for the International market.” MNW’s ambition is “to combine many years’ tradition with modern business thinking in order to stay progressive and in tune with the future.” Independence, tradition, modernity, business focus, and progress are words MNW applies to describe its identity.

MNW says that it wants to be the evident partner for artists nursing their careers, and hopes to be entrusted with this task through good project management. It is communicated in the business plan that MNW wants to keep a profile toward the artists which builds on humility with respect to the artists and their work. Openness and honesty are other key words describing the attitude considered necessary towards the artists. MNW wants to give the artist a good insight into the business, and wants the artist to feel solidarity and participation in the process of launching a record.

MNW’s business plan (2001) presents the overarching goals for the record company in both quantitative and qualitative terms. The quantitative goals are formulated as follows:

- To be profitable on a yearly basis
- All business segments shall generate profit in 2003
- To be one of the top ten independent companies in Europe in 2004

And the qualitative goals read:

- To become more effective in the artistic processes and in the handling of distribution partners

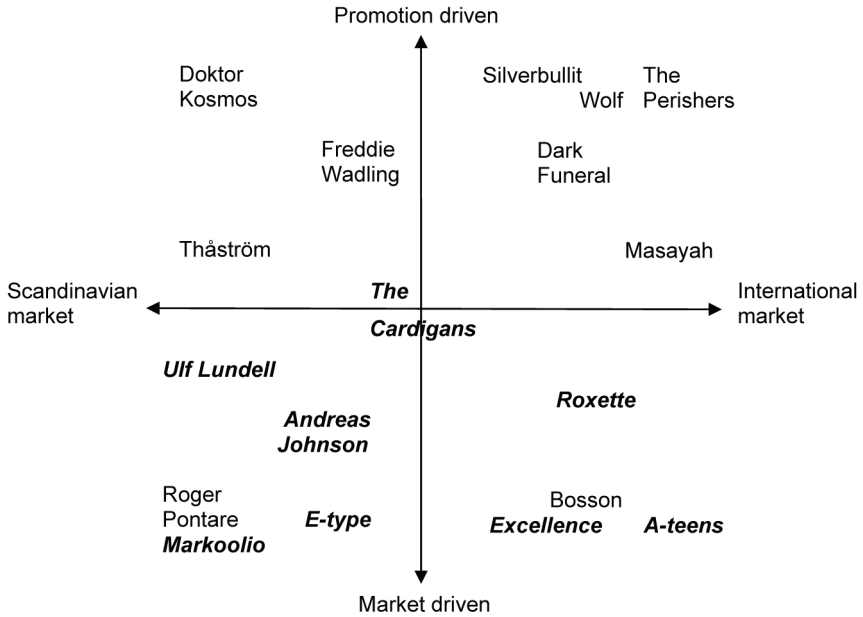
- To create a well-informed, motivated, and structured organization
- To modernize the company in order to strengthen the competence and force of the core operations

At the record company level, financial targets are set for profitability and profits, and a total company budget is produced for every calendar year. Financial priorities are fairly top-down managed. These are considerations made in the managerial body, especially by Per Helin, the record company manager (also the Senior Vice President of A&R), and the Sales Manager. It can be seen in the budget that more money are allocated to prioritized projects.

Promotion-driven music constitutes a large part of MNW's artistic portfolio. Promotion at the major record companies means major spending and high financial risks. As will be shown, promotion-work for MNW does not exclusively mean spending large amounts of money. It implies other strategic practices as well. This is due to financial risk-taking that MNW cannot afford.

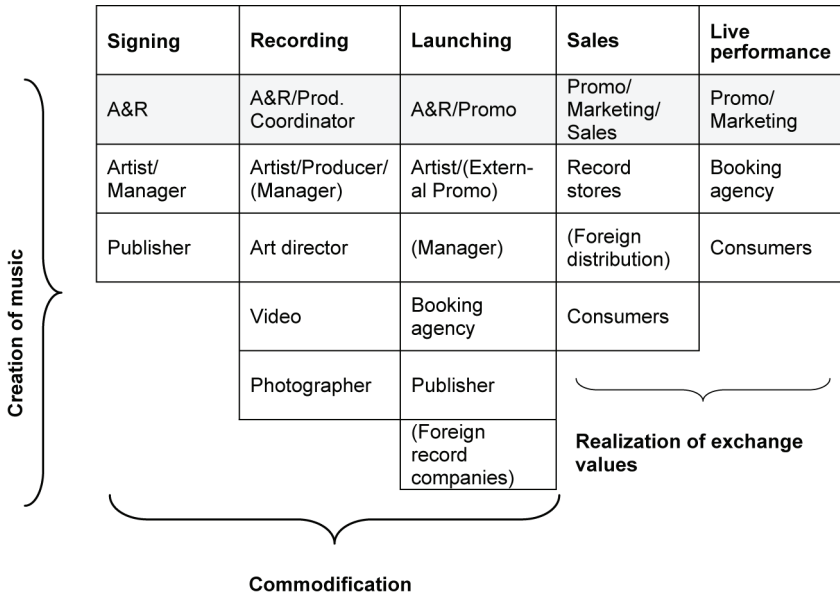
MNW develops strategies according to their artists' positions within the field of restricted versus large-scale production. According to MNW, different strategies are needed for different types of band. The figure below which is adapted from MNW's internal governance document, shows how MNW relates to and tries to position their artists in the divide between the field of restricted production and that of large-scale production. Bands closer to core of the restricted production field need more promotion according to MNW's strategic reasoning. (Artists in bolded letters are artists that are not represented by MNW.)

Figure 9: Positioning diagram. A strategic response to opposing forces within the field of popular music. (Source: MNW's internal governance document)



Let me continue illustrating how MNW reasons strategically by showing a drawing (slightly modified by the author) by the Senior Vice President of A&R at MNW portraying the embedded relations and the interorganizational value creation that evolve during a specific music production.

Figure 10: Actors and interorganizational relations in a music production process. (Source: Drawing by the Senior Vice President of A&R at MNW. Brackets added by the author)



The top row (shaded) shows what function at the record company is involved in the process, and the rows below show the record company's external collaborating partners. Actors in the interorganizational production process are depicted in the first three columns; consumers/users of music appear in the last two columns of the figure. MNW's business activities aim at commodification and realization of exchange values.

The responsibility of the record company A&R stretches from the signing phase to mid-way in to the launching phase. The A&R often has a coordinating role regarding activities such as recording, cover sleeve work, photography, and video-making, and s/he oversees the mixing and mastering that follows after the recording.

In a typical music production, the input to the commercial production process comes from the musicians who create compositions that constitute intangible assets with a negotiable value in contractual discussions with record companies and publishers. The signing phase constitutes a first encounter between community and business and business economic conditions and demands starts playing an increasingly important role from this point in time. The signing phase marks the transformation of music as a more intrinsically driven activity to a commercial activity. Formal contracts are drawn up – as in this case – between the musicians and the record company, and between the record company and the record producer. Thereafter the commodification of music begins in the recording process. The commodification of music can be seen as evidence of a first step towards the transformation of music's use values into exchange values. As the figure illustrates, the launching phase involves the highest number of interorganizational relations. There is also a peak for the construction of symbolic value in the launching phase when the music is exposed to the most contact with external assessors. The media focus is strong around the time of the record release with a high number of promotional activities, reviews published in the press and band interviews in various media formats.

A record company distributes financial resources to a music production project in relation to the estimated sales for the project, i.e. production costs vary with volume. Vincent Frèrebeau, founder and manager of the French independent label *Tôt ou Tard*, says typical costs for the production of a record before salaries and fixed costs amount to 40.000–50.000 Euros in total production costs, including recording costs, with an additional 50.000 in promotion and marketing costs. With this kind of budget 40.000 albums must be sold for the project to break even.⁴⁰

⁴⁰ Vincent Frèrebeau giving a speech at the training course “Cultural Industries in Europe and the Euromed Countries.” Paris, June 26, 2007.

Next we shall turn to a specific project budget for one of MNW's record productions with Silverbullit which shows where in the process MNW starts taking on costs and tying up capital. I have slightly simplified the project budget below for Silverbullit's second album *Citizen Bird*, released by MNW on March 26, 2001.

The sales figure shows the total sum of domestic, European, and export sales. The majority of the income comes from domestic sales, some from European sales, and around 10% are export income.

Figure 11: project budget for Citizen Bird

Project budget for silverbullit "Citizen Bird" (SEK) Period 00-01-01–03-03-30				
		OUTCOME	BUDGET	DEVIATION
3000	SALES OF CD's AND MERCHANDISE	718 393		718 393
3100	ROYALTY AND INCOME FROM COPYRIGHTS	61 983		61 983
4000	RECORDING COSTS	-238 342	-240 000	1 658
4100	PURCHASE	-121 023		-121 023
4300	SETTLEMENT OF ACCOUNTS COLLABORATORS	-102 775		-102 775
4400	DISTRIBUTION AND NCB	-90 348		-90 348
4900	CHANGE IN INVENTORY	38 047		38 047
5700	FREIGHT AND TRANSPORT (NON-DOMESTIC)	-6 832		-6 832
5800	TRAVEL EXPENSES	-14 228		-14 228
5900	ADVERTISEMENT AND MARKETING	-42 051	-150 000	107 949
6000	OTHER SALES COSTS	-11 739		-11 739
6200	TELEPHONE & MAIL	-28		-28
6600	PROMOTION COSTS	-23 502		-23 502
6700	TOUR EXPENSES	-95 234		-95 234
6800	VIDEO EXPENSES	-59 075	-50 000	-9 075
7200	SALARY	-2 000		-2 000
7300	SUBSISTENCE ALLOWANCE	-10 980		-10 980
7500	EMPLOYER'S CONTRIBUTION FOR SOCIAL INSURANCE	-658		-658
9915	Income tapes	-8 765		-8 765
9951	Studio rent	-145 635		-145 635
9952	Technician costs	-56 500		-56 500
9955	Studio costs tapes	-845		-845
	INTERNAL REVENUES AND COSTS	-212 137	-440 000	227 864
1625	Gross royalty advance to artists	-39 549		-39 549
1622	Advance to producers	-10 000		-10 000
	TOTAL COSTS	-983 747	-440 000	-543 747
	TOTAL REVENUES	771 610		771 610

It appears even clearer from the total budget with specified income and cost items (the original to the simplified budget presented

above) that few entries are prognosticated for. Basically, recording costs and marketing and promotion expenses are estimated in rough numbers. The specific project budget is not an active management control tool during the course of activities. Project budgets play more important roles in making visible the overall financial resource priorities between different projects at the company level.

Even though specific cost items are not very closely monitored, studio rent, which is one of the larger cost entries and which does not have an estimated value in the budget above, did not come as a surprise to MNW. This studio used to be owned by MNW. At the time of my empirical study, MNW was a repeat customer to the technician and owner of the studio where most recording sessions with this album were held.

During the mixing of some of the songs in June 2003, the band explained that MNW had been generous with studio time, and that they had not started to limit recording sessions until just recently. This shows another example of how studio time and expenses were not closely monitored from the record company, even though MNW at this time found itself in a financially constrained situation. Stockholders equity was negative in 2003, and as of September 30, 2003 the company had set up a balance sheet for liquidation purposes. This example illustrates the presence of a strong governing logic focused on artistic creation even in this financially constrained situation. And in daily operations there is a constant balancing act between quality and costs that the responsible A&R at MNW has to negotiate. "I want to sell as many records as possible. Even if that is not the primary goal with my job, it is an important part of it" says the Senior Vice President of A&R at MNW.

In the next section I aim at giving a general picture of A&Rs' objects of control. Besides the testimony of MNW's Senior Vice President of A&R, quotes from A&Rs at American record companies will also be brought in as illustrative examples.

A&Rs' control focus

As representatives of corporate entities the A&R executives are agents who need to act in their principals' interests, which is to maximize music's exchange value.

We are very focused from the point we first begin working with an artist, on the need to maximize every possible revenue stream and every opportunity to market and promote our recordings. (Tom Mackay, Senior VP of A&R, Universal Republic Records)

Another A&R at Epic Records explains:

As an A&R person, your job is really to manage personalities to get the ultimate end result, which is record sales. (Max Grousse, Vice President of A&R, Epic Records)

These quotes illustrate both the perceived ultimate goal in the professional life of the A&R and the means to reach it. Another citation that illustrates the importance of managing personalities is presented below, where a corporate A&R mentions that the more successful an artist becomes the more power s/he achieves. However, with a "good relation" that "problem" can be avoided.

If an artist has sold 100 000 albums and says "I want a million [SEK] in recording budget for the next album otherwise there will be no next album," then maybe you'll have to go with that, but at the same time – if you have a good relation that situation will never occur. (Per Helin, Senior Vice President of A&R and record company manager, MNW, March, 2003)

Clearly there is an aim at managing the interorganizational relations by creating feelings of solidarity and indebtedness, which Helin suggests can be a very effective cost strategy. In other words social contracts seem to be of importance from a managerial perspective.

From these A&R quotes I draw the conclusion that there is a strong focus on maximizing and controlling revenues, notably through managing relations. Due to the current developments in the music industry and the general decline in CD sales since the beginning of the year 2000, A&R budgets have been cut and the financial pressure on each album to be successful has increased significantly. When aiming towards financial goals – what is it the A&Rs experience as problematic?

A&Rs' control problems

Before turning to the A&Rs' control problems, let me start on a general note: the experienced control problems that different individuals in music production experience can be related to the special traits of cultural and symbolic goods. Cultural goods are different from non-cultural goods in that they are connected with aesthetical experiences and symbolic values to a relatively high degree.⁴¹ Further, the boundaries between creator, creation, and appreciator are not as clear-cut as those between producers, products and consumers of many non-cultural goods. The creator and the creation are entangled. This is illustrated in the following statement by the Senior Vice President of A&R at MNW Records:

Products – that's what's hard when you work with this type of things. It's not like working with film where film is the product. We always have two products so to speak – the record and the artist. But when we say end-product we mean the record, so for the most part when we speak of the product it is the record. (Helin, March, 2003)

Since symbolic value creation is difficult to predict or influence, coping with the uncertainty regarding the reception of music

⁴¹ The point that the value of a cultural good is collectively constructed may very well be generalized to other type of goods, but this is particularly clear in the cultural sector. Nor do I wish to claim that only cultural goods hold symbolic values.

becomes a delicate issue of controllability. These mechanisms seem to need to work in subtle ways. A major record company A&R points to what he sees as the hazard of trying too hard to control consumers' tastes:

We will not try to "sell" artists by pumping in a lot of money to some heavy promotional campaign. That sticks in the eyes of the consumers who would easily see through such big-company-tricks. It would only hurt us, as well as the bands. In fact, they [the consumers] want to discover bands themselves. (Fredrik Wennerlund, A&R, EMI, October, 2001)

As one of the majors, EMI has a more dominating position in the field of popular music than MNW. But still they do not seem to have the power to dictate the rules of the whole field of production and consumption. Wennerlund illustrates how even a large-scale production company like EMI takes into account the reversed economic logic of the cultural field in formulating a marketing strategy for a band. In order for a record company to nourish its cultural capital base it cannot act as if anything is up for sale.

Another aspect of control that becomes tricky as a result of the difficulties in predicting what consumers want, is evaluation. MNW formulates a successful project in economic terms as a project that generates a 35% contribution margin. That covers overhead costs and gives a contribution to the overall profit.

The following illustrates what it might sound like in an internal record company evaluation meeting:

We are relatively bad at evaluations but we are currently looking for tools; yet when it comes to records it's hard because it's like "but why didn't we have an ad there?" It's that kind of evaluation – "why didn't they play our song" – "They didn't like it" – "But couldn't you have nagged more?" – "Yes, but if they don't like it they don't like it." Then internally, there are only two conclusions that can be made if it hasn't turned out well: Either the record's too bad or we did too bad a job.

And then it's just to decide – “Well what do you think?” – “No, I like the record” – “Yes, but didn't we do a bad job then?” – “We didn't have enough luck.” This is what evaluations look like and it's very hard to take it to the next level. I have really tried but it becomes so abstract and you think “Maybe the ad could have looked better...”. It's hard because there are no right answers. (Helin, MNW, March, 2003)

Moreover, it is easier to decide on when a record production project starts than to determine when it is over. Income from record sales and copyrights can continue flowing in to the contributors several years after the release date. This makes it difficult to fix the date for evaluating whether the project was successful or not. Also, a successful second or third album may boost the sales of a first album. Records can be resold and repackaged, songs can be put on compilations and collections, and songs' and records' symbolic value may increase over time. A respondent gave an example of a record that was evaluated as a catastrophe in terms of sales, but which was later picked up by an American Hollywood producer and used in a blockbuster movie, hereby generating great royalty incomes.

In sum, perceived control problems relate to the fact that there is a strong external financial pressure but a vague link between costs and potential incomes, which means that decision-making and evaluation oftentimes must resort to gut-feeling. It is argued that music production projects are highly risky because of the unpredictability in the public response.

MNW experienced financial difficulties during the time of the study. A financial and goal rational governing logic was expressed in quantitative and qualitative terms in the business plan. Operational practices on behalf of the A&R also gave evidence of a strong value rationality that existed side by side with the objective to generate exchange values from sales. However, predicting income, as well as evaluating realized results in separate projects, was perceived of as

difficult, and neither budgets nor other management tools were used for these purposes. More pro-active control strategies were sought. At the company level, different strategies were used, depending on the position of their artists in the overall field of popular music.

The publishing company

We have come to the third pivotal actor in the music production case that this narrative focuses on – the publisher. This story reveals how the opposition between the visions and goals of a large multinational corporation and an individual A&R's visions and aspirations was balanced.

Signing motives and strategic plan

Silverbullit is contracted with Warner Chappell Music Scandinavia AB – a subsidiary organization of the world-wide Warner Music Inc. that covers territories reaching from Johannesburg, Beijing, Caracas, Nashville, and Tel Aviv to Stockholm. In Sweden, Anders Jönsson manages the Warner Chappell label Creator Music. He is also the A&R responsible for Silverbullit and seven other composers; most of them are also bands or artists who perform their own material. Soon after Silverbullit's second album was launched, Jönsson was contacted by Andersson (Silverbullit's manager), who wondered if he was interested in contracting them. He was, and after some rounds of negotiations Silverbullit signed an agreement with Warner Chappell Music Scandinavia AB. The band did not participate in the negotiations, but they met with Jönsson before the contract was drawn up and they came to terms about an advance payment and a tour support guarantee.

The reason Jönsson was interested in signing Silverbullit was because he considered them a band who had “everything – good song material, technical and musical competence, a charismatic appearance, good live performances, and a potential to sell in the US.” Launching the band in the States was at the top of the strategic agenda.

Jönsson recognized that succeeding in the US is not going to be an easy task: “With some luck you may manage to get your music played on college radio, but the commercial radio stations are, in principle, impossible to get played on.” Even though it is acknowledged that an American launch is going to be costly, physical presence in the US market is a must, according to Jönsson. He further claims that “with back up from a company like Warner Chappell which possesses a catalogue of one million songs including the rights to ‘Happy Birthday,’ there is always money.” The strategic focus on the US is motivated by the truism that if you make it in the US, success in other countries will follow automatically.

On controllability, cooperation and the role of formal control

The launching of Silverbullit’s album in the US is going to take joined forces from a lot of organizations, says Jönsson, who below gives his perspective on what is going to be necessary. The quote reveals how crucial a well-functioning interorganizational cooperation is according to Jönsson.

I hope the next album sells 15 000 but you never know. There are a lot of factors you can’t control, for example the tour company, the record company, management. We’ve got to cooperate. I work closely with Ulf and Sabrina [Ulf is Silverbullit’s manager and Sabrina runs the record company in the US] in the US. I’ve known Ulf for 10 years. We met in Gothenburg last week and talked about how to make it happen in the US – Ulf, myself and Silverbullit. Silverbullit need a strong budget when they’re in the US. That’s dependent

upon Sabrina but I don't know what her budget looks like. The cost for a year should be 600 000–700 000 [SEK]. Our focus will be on college and key cities. There needs to be cooperation to reach this goal. (Anders Jönsson, A&R Warner Chappell, November 2003)

When I asked what the contracts look like between the cooperating parties, Jönsson answered that it is hard to have binding contracts and that he supposes “Per [Per is the A&R at MNW] will send a plan to Ulf, and that Sabrina will do the same for the US.” In other words, the relevance of formal contracts is discounted. From what Jönsson goes on to say, I conclude that the publisher does not assert financial control to any vast extent. Jönsson answers my question on the economic level of Silverbullit's US tour support:

I can imagine they got 25 000 [SEK] each. From us. Then there were the others... Now this was some time ago – almost a year... but the total budget – where it ended up I really don't know. I mean we brought in the necessary means for them to go. (Jönsson, Warner Chappell, November 2003)

Fairly low levels of general controllability (such as in his first comment: “There are a lot of factors you can't control”) are not really seen as problematic, and the reason according to Jönsson is because he knows these people – the manager for ten years – and he also sees a solution in cooperation. The lack of a perceived need for financial controllability (interpretation from his second quote) may be explained by Warner Chappell's financial strength – “there is always money,” as Jönsson put it.

A response to external demands

Sabrina Silverberg is the founder of the US-based company Stinky Records. She runs the company together with partner Tom Sarig, who was formerly employed as A&R at MCA Records. About the experience of working at a major record company, Sarig says:

Major labels are owned by large corporations that have bottom lines to watch out for. We're expected to make sales quotas and all that sort of thing. That puts various other kinds of pressures on us as well. (Tom Sarig, Former Vice President of A&R, MCA Records, 2002)⁴²

Jönsson at the Swedish publishing company also talks about pressure and demands that come with working for a major American company. He had worked for Warner Chappell for eight years when he decided that he wanted to break loose and start his own label, Creator Music, which he runs today on a consultancy basis for Warner Chappell.

I felt it was time for a change and it was no problem at all. I wanted to do things my own way but as an employee at a large company with headquarters in the United States I had to follow their policies and ways of working, which I felt hampering a lot of the times. Like – you want to do something in a certain way but you can't because of this or that policy. So now I work for myself, which gives a certain amount of freedom actually. (Jönsson, Warner Chappell, November 2003)

To start his own label was a response to the tensions Jönsson experienced between his own aspirations and the goals of a large multinational corporation. The lack of formal control, and to some extent, also the perceived lack of controllability from Jönsson's perspective can be understood against his role in the total network of producing actors (which we will examine in more detail in the next chapter). The overall coordinating responsibility of the interorganizational relations lies mainly with the record company.

So far, separate actors' distinct perspectives have been presented. It was shown that different types of rewards motivate different actors. For the corporate actors, whether it is the record company representative or the publisher, these people are inclined to feel content if the project turns out to be a successful economic venture; the rea-

⁴² <http://www.record-labels-companies-guide.com/interview-mca-records-2.html>

son is that their performance will be evaluated in their respective organizations from a financial point of view. The financial logic of a profit-seeking company permeates the organizational reality that actors are a part of and have to answer to. Many of the A&Rs' actions are instrumental rather than intrinsic, and directed towards earning money, which is in line with Tönnies' claim that the profit motive is typical of the rational businessman/woman (Tönnies, 1957 [1887] p. 80). That being said, it needs to be pointed out that financial results are not the only incentive for corporate actors. Not surprisingly, other motivations than profit maximization exist, perhaps especially among musicians, but also among A&Rs in my case study. An American A&R says what he likes most about his job is "working with music that I consider really great and with artists that I think are really interesting people."⁴³ Being responsible for a certain artist may imply more credibility in the social world, than having some other artist on the company roster. In a social setting it may be more valuable to an A&R to be able to brag about having signed and working with a hip artist with high credibility than an artist who sells a lot of records. A difference however, between the perception of work among musicians and corporate actors, is that while work has a value in itself to the musicians, for the A&Rs, work is more of a means to an end.

The next step is to take a closer look at the overarching governance structure that focuses on the administration, control, and distribution of financial flows between on the one hand the cooperative alliance consisting of notably Silverbullet, MNW, and the Warner Chappell label Creator Music, and on the other hand, the end users of the music.

⁴³ <http://www.record-labels-companies-guide.com/interview-mca-records-2.html>

Collective societies

This section aims at giving a presentation of the central actors in the last stage of music production – the collection of money from music use, which is quite a complicated affair in the music industry. We may begin with an example of a Swedish filmmaker who wants to use a song by Bob Dylan in an episode. It is impossible to ask Bob Dylan whether you may use one of his songs in your film. In this sense there is an insuperable distance between the person who has made the song and the person who wants to use the song. Bob Dylan's songs have been commodified, attained a symbolic value, and circulate in a system where exchanges now mean negotiation over synchronization rights and money transactions.

Music use takes place every day, all the time. One large user is the radio for example. Collective societies, i.e. collective management organizations, handle the distribution of economic wealth between producers (exemplified by the interorganizational network of actors formerly introduced) and end users of music. This section presents their role, which is to represent different actors' interests in the overarching governance structure that consists most importantly of laws and international treaties.

The Swedish Copyright Act

The royalty system is founded on the circumstance that one person's use of a piece of music does not prevent another person's use: "My enjoyment of a movie or a musical recording does not diminish your enjoyment of them. The same cannot be said of a loaf of bread."⁴⁴ This fact has far-reaching implications.

A loaf of bread may exchange hands only once between seller and buyer, and when it has been used or consumed it is forever gone,

⁴⁴ Claude Robinson in *The Jamaica Observer*, October 23, 2005.

whereas the same song can be reproduced at a low cost and be experienced by many, over and over again. This circumstance has given rise to the royalties system. Miège (1987) investigated what rationale could be found for this organizing principle, and he proposed that a corporate strategy to cope with the uncertainty of cultural products' experienced use values is to avoid paying artists fixed salaries and instead reward composers and performers with royalties *ex post facto* when the expected gains have realized in the form of economic exchange values. As a result a minority of artists benefits from royalties to an outrageous extent, while the majority of artists are almost permanently unemployed or lead a meager existence (Miège, 1987 p. 274).

Based on the view that copyright is a commercial incentive that seeks to promote and reward creativity, a series of laws are in existence to protect the intellectual property rights of songwriters and other closely related owners of rights. The copyright legislation is founded on the idea of exclusive rights of the owners of pieces of music. It guarantees that a creator may profit financially from his or her achievement.

This structure and the principles it rests on have been criticized by the Free Culture Movement which resists legislation on the basis of an idea that with the Internet and other advances, the technology exists for a new paradigm of creation, one where anyone can be an artist, and anyone can succeed, based not on their industry connections, but on their merit.⁴⁵ Another non-profit organization, Creative Commons, was set up in 2002. This community was created in order for music users to seek authorization in advance from composers who set up their music for free on the Creative Commons' website.

Regardless of what perspective different actors may have on the topic of free culture or not – everyone has to relate to the current

⁴⁵ <http://freeculture.org/manifesto.php>

regulatory environment, which is why I briefly want to go over its structure here. The most important law at present in force in Sweden is the law on copyright to literary and artistic work (1960:729).

Songs are legally treated as entirely different and separate from sound recordings. The same song can, for example, be made into several different recordings by several different artists. A song is the intellectual property of the songwriter, and not the property of the artist/s or the producer⁴⁶ (*Music Business Journal* 2001–2003). However, the Swedish legislature has taken the standpoint that the closely related rights of performing artists and producers of phonograms should, as far as possible, be treated in equal respect to those of the authors of artistic works.

The copyright owner has both economic and moral rights to his/her work and these rights pertain during his/her lifetime, and 70 years thereafter. Moral rights involve the originator's right to be named in connection to the use of his/her work. Besides, the work must be respected, which means that it must not be changed or made available to the public in a context that can be conceived by the author as insulting. Economic rights consist of permitting or forbidding duplication of a work, and making the work available to the public; in other words, having the work appear in a public situation, or having copies of it distributed to the public. The rights that the copyright owner has regarding public availability are equally entitled to performing artists and phonogram producers. However, the duration of the protection of rights of these two latter categories lasts less than 50 years, as a principal rule.⁴⁷

⁴⁶ Here, producer of a phonogram refers to the person, or the legal entity [i.e. record company] who or which takes the initiative and has the responsibility for the first fixation of the sounds of a performance or other sounds, or the representations of sounds (WIPO Performances and Phonograms Treaty).

⁴⁷ Upphovsrätt. En informationsskrift från regeringskansliet, 2003. (Copyright. Information from the Government Office, my translation.)

The copyright legislation protects a work from the same moment as it is created. No formal registration of the work is therefore required. However, as I mentioned previously, the administration and control of copyright exploitation is collectively organized, and individual members must apply for membership in the organization/s that work in their interests. Contracts are drawn up either directly between the performing rights associations and the composers, or between performing rights associations and publishers in those cases where artists have already engaged in contractual relations with publishers.

Historically, popular artists from the 1920s through to the 1950s relied on professional songwriters to write the songs they recorded and performed, but with the advent of popular music groups like the Beatles, who wrote and performed their own material, more and more artists started to take on both these roles. Only two of the members of the band in this dissertation's case study write all the songs, but the band has decided, according a sort of *Gemeinschaft* logic, to split all incomes from copyright exploitation equally among all the band members. Therefore they have registered all five band members as composers at STIM, i.e. the Swedish Performing Rights Society.

The rights of authors, artists, and phonogram producers are formulated as exclusive rights. However, since it would be very difficult – even practically impossible – for radio stations, for example, to obtain the right to every song they play on the radio from each song's exclusive right holder, collective organization of right-owners is necessary. Collective management organizations act as an intermediary between creators and users of copyrighted works, and their assignment is to ensure that, as owners of rights, creators receive payment for the use of their works. In the field of musical works (encompassing all types of music – modern, jazz, classical, popular etc.), documentation, licensing and distribution are the three pil-

lars on which the collective management of the rights of public performance and broadcasting is based.⁴⁸

The collective management organization negotiates with users such as radio stations, broadcasters, discotheques, cinemas, restaurants and the like, or groups of users, and authorizes them to use copyrighted works from its repertoire on certain conditions and against payment. On the basis of its documentation (information on members and their works) and the programs submitted by users (for instance, logs of music played on the radio), the collective management organization distributes copyright royalties to its members according to established distribution rules. A fee to cover administrative costs, and also socio-cultural promotion activities, is generally deducted from the copyright royalties.⁴⁹

The following two paragraphs provide a closer look at the collective societies that hold important roles in the Swedish popular music industry.

STIM and NCB: working in the interest of composers of lyrics and music

STIM protects the interests of authors and publishers of music in Sweden. On their behalf, STIM administers and licenses rights to music and text. Through its international network, STIM also represents rights to the worldwide repertoire of musical works.

The settlement to publishers and composers is allocated on a 33.33/66.66 basis. Thus, published works give 33.33% to the publisher in the general case, but the allocation may be negotiated between the publisher and the composer, and set at a different level motivated by the contribution by each party (STIM's annual report, 2002).

⁴⁸ www.wipo.org

⁴⁹ www.wipo.org

A copyright owner has the right to performance royalties every time his or her work is played live, on the radio, or on television. STIM has a general agreement with Sveriges Radio (Swedish public radio), which is the largest customer. This general agreement states that Sveriges Radio can play whatever music they want, and how much music they want to the fixed cost of 86 million SEK for the year 2003. This rate is subjected to recurrent negotiations.

Sveriges Radio has a reporting obligation to STIM about all broadcasts. STIM is organized into different accounting areas (P1, P2, P3⁵⁰ etc.), which in turn are broken down into more specified account-coding areas (phonograph music, vignette music, live music, etc.). When a composer performs a song live on the radio the reimbursement level is higher than if the same song from the composer's record is played on the radio.

The revenue model STIM applies to commercial radio channels looks completely different than the framework agreement with Sveriges Radio. A number of parameters are taken into account when compensation levels are set. Among the decisive factors are the commercial radio station's advertising revenue, the reception area through which the number of potential listeners can be calculated, and actual listeners – measured through listener research reports. An argument often used by STIM in negotiations about compensation levels with commercial radio stations is that a copyright holder also should be compensated according to how large advertising revenues the radio station can generate by using a certain copyright owner's music. This can be seen as an example of the influence of the logic of the broader economic field in society in the field of popular music.

Payments to copyright owners originating from TV broadcasts is handled with the same automatic system for settlement of accounts as is used for tracing music played on the radio. Sveriges Radio and

⁵⁰ P1, P2, and P2 are names of different radio channels.

Sveriges Television, SVT (Swedish public television), cooperate through a common central music reporting system, Mura, that has been STIM's partner organization for collecting royalties since the 1970s. One minute of live music performed on SVT generates in the normal case 568 SEK to the copyright owner (STIM's annual report, 2002).

The copyright owner owns the exclusive right to reproduce and publicly distribute copyrighted musical compositions in the format of compact discs, tapes or other material objects in which sounds are fixed. This right is called a "mechanical right" and the authority to exercise this right is called a "mechanical license." These terms date from the times when records were reproduced mechanically, rather than electronically (Krasilovsky and Shemel, 2003). A songwriter owns the underlying rights to a song, so when a record company reproduces a song in a mechanical form, it has to pay a license to a collecting society that handles the redistribution to the composer. NCB, Nordic Copyright Bureau, handles the distribution of mechanical licenses in all Nordic countries and the Baltic States, and NCB is owned by the Nordic performing rights societies. To sum up, STIM is responsible for distribution of revenues stemming from *performing rights*, while NCB administers remuneration from *mechanical rights*.

The compensation levels for recording and reproduction of compact discs, tapes etc., is based on the international agreement between on the one hand BIEM, Bureau International des Sociétés Gérant les Droits Mécanique, which represents the mechanical rights associations, and on the other hand IFPI, International Federation of the Phonographic Industry, which is the record companies' international association. The principal condition in the latest agreement, which expired the 30th of June 2000, was a compensation to copyright owners set at a little more than 9% of the wholesale price. Despite the fact that a new agreement has not been concluded, the conditions are still functionally in force (STIM's annual

report, 2002). A wholesale price of 100 SEK per record thus corresponds to a payment due for the record companies of 9 SEK per record to NCB.

A recurring customer signs a standard contract with NCB that allows for retroactive payments against actual sales. As a copyright owner signed to a large record company s/he receives payments from NCB twice a year. Non-recurring customers, or customers who wish to manufacture fewer than 1.000 copies pays in advance, and the copyright owner gets a lump sum payment.

A copyright owner can also collect income when his/her work is integrated into moving images such as films, TV programs, and TV commercials. Synchronization agreements are individually negotiated between the copyright holder (or the publisher in the case where the composer has signed a contract with a publisher) and the production company. It is therefore difficult to say anything general about synchronization right revenues. When a song is included in a movie for example, the songwriter is usually rewarded a lump sum. Then again, as a songwriter s/he will also earn a performance fee from this use, and if the movie is reproduced into 40 exemplars, mechanization has taken place and the songwriter has the right to mechanical royalties.

IFPI Sweden and SAMI: working in the interest of producers and performers

The WIPO Performances and Phonograms Treaty (adopted in Geneva on December 20, 1996) states in chapter 4 on common provisions, in article 15: Right to remuneration for broadcasting and communication to the public, that:

- (1) Performers and producers of phonograms shall enjoy the right to a single equitable remuneration for the direct or indirect use of phonograms published for commercial purposes for broadcasting or for any communication to the public.

(2) Contracting Parties may establish in their national legislation that the single equitable remuneration shall be claimed from the user by the performer or by the producer of a phonogram or by both. Contracting Parties may enact national legislation that, in the absence of an agreement between the performer and the producer of a phonogram, sets the terms according to which performers and producers of phonograms shall share the single equitable remuneration.

The Swedish Copyright Act (1960:729) obliges artists to put in a claim against users of music collectively. Moreover, artists are obliged to do so together with producers (owners of record productions). SAMI and IFPI thus cooperate closely regarding contracting and collecting means.

IFPI administers remuneration from radio and TV performances, while SAMI is responsible for the administration of recompense from other official performances (hotels, restaurants etc.). Taken together, these revenues are split 50/50 between IFPI and SAMI, which then redistribute the revenues to the record companies and the artists.

The Swedish affiliate of IFPI is owned by its members, including all major record companies and a number of small, middle-sized and large independents. At the time of writing they represent 95% of the Swedish recording industry. IFPI's main task is to look after the interests of the record companies, and to protect their rights as stated in the copyright law.

A record company bears the right to compensation from IFPI in the name of the owner of the sound recordings. Every recording is worth the same amount, and as of 2003 the compensation level to be paid to IFPI for music transmitted on national radio was set at SEK 117.47 + VAT/minute, and at SEK 4.53 + VAT/minute in the case of local transmissions.

A recording agreement is usually written as an employment contract, and therefore the record company will claim that the results and proceeds of the artist's services belong to the record company as a work-for-hire (Krasilovsky and Shemel, 2003). However, ownership of sound recordings is a matter of bargaining between the parties involved. If there is no factual employment relationship, the copyright in the sound recording can be argued to be under the ownership of the performing artist and/or the producer, depending on the producer's contribution (Krasilovsky and Shemel, 2003, p. 60).

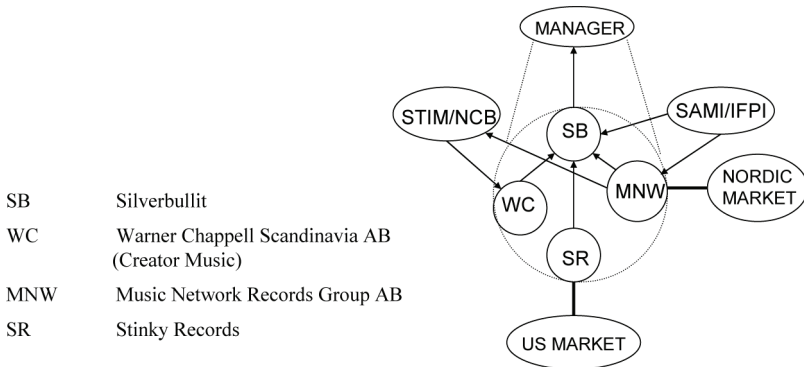
SAMI, Swedish Artists' and Musicians' Interest Organization, was founded in 1963 on the initiative of the Swedish Musicians' Union and the Swedish Actors' Union to administer the rights of performing artists stipulated in the Swedish Copyright Act (1960:729) and corresponding legislation in other countries, mainly within the framework of the Rome Convention (1961). SAMI co-operates with the trade unions of Swedish musicians and artists which, in accordance with the statutes of SAMI, are represented on the Board of SAMI. The main task for SAMI is to collect and distribute compensation for the public use of recorded performances such as the public performance of sound recordings, radio and TV broadcasting of sound recordings, and retransmission and cable distribution of broadcast music. SAMI is also responsible for the administration of rights and remuneration for other secondary uses of recorded performances of performing artists. SAMI shall, according to its statutes, promote the interests of artists and musicians. This includes continuous work for the development and improvement of the statutory rights of performers. SAMI further carries out its activities in close co-operation with its fellow organizations in other countries, and with the International Federation of Musicians, FIM, and the International Federation of Actors, FIA (SAMI's annual report, 2002).

In the case of radio revenues, compensation levels to artists are grounded on the value of the artistic contribution. The distribution of remuneration is effected according to the rules of the association of SAMI. The distribution model awards different points to soloists, conductors, members of bands etc. When it comes to bands, the number of points awarded is also dependent upon the number of members of the band. Each member of the band in the case of Silverbullit which consists of five members gets 3 points each. 1 point corresponds to 1 minute, which in turn is worth 12 SEK. A Silverbullit song with a duration of four minutes that is played on the radio thus gives each member of the band 48 SEK.

Revenues from music played in restaurants, hotels, at hairdressers etc. is established according to what music is played the most on the radio. The argument behind this simplified allocation is that it would be too difficult to control and administer the music use of each and every organization. Besides, it is often the radio that plays in the background at the hairdresser for example.

I shall finish this section with a schematic overview of the financial flows that emanate from copyrights between Silverbullit, their manager, MNW, Warner Chappell, STIM/NCB, and SAMI/IFPI. During the production and release of the band's second album *Citizen Bird*, Silverbullit did not have a publishing deal. Thus all copyright revenue went directly from STIM/NCB to the band members. It was after the release of the second album that a publishing contract was signed between Silverbullit and Warner Chappell, which offered an advance payment for income from the third forthcoming album. Therefore, there will be no arrow in the figure below from STIM/NCB to Silverbullit (SB) in this record production since the publisher has taken on the role to re-distribute and manage revenues from STIM/NCB. Also, money from Warner Chappell to Silverbullit (represented by the arrow directed from WC to SB) will not be paid out until the publisher has recouped the advance payment.

Figure 12: Schematic overview of financial flows emanating from copyrights



The overview above – of the supraorganizational governance structure of exchanges between producers and users of music – has pointed to the role of four central intermediary associations: STIM, NCB, IFPI Sweden and SAMI. To sum up, STIM and NCB act in the place of the copyright owners, which can be either authors of lyrics or composers of music or both, and IFPI and SAMI represent the record companies and the artists respectively.

These organizations are concentrated on the protection of the interest in copyrights which unites musicians who want to make a living out of music, and record companies and publishing companies who defend their positions in a competitive market. Under current structural conditions, collective societies' focus is quite narrowly centered on copyrights, but in the future there might be a need for collective organization around other issues, such as an interest in social insurance or pension plans on behalf of the artists. The inter-organizational contractual relationships between the artists and the organizations they cooperate with leave the musicians in a much more unsure situation compared to most other workers whose employers take on certain social responsibilities for them.

After having presented the central actors in music production and discussed how they relate to business economic demands and field-

bound principles of legitimacy (which corresponds to my second research question), we shall now examine what happens in the meeting between different actors' perspectives and in the meeting between *Gemeinschaft* and *Gesellschaft*, as we dig deeper down into interorganizational practices. While the former chapter also discussed the music's macroeconomic governance structure, the next step is to take a more micro economic perspective on control and music production. First, I will attend to the third research question that deals with the redistribution of value between the central producing actors. Thereafter I explore the fourth research question on how values are created, and how control is produced in interorganizational relations.

CONTROL AND MUSIC PRODUCTION

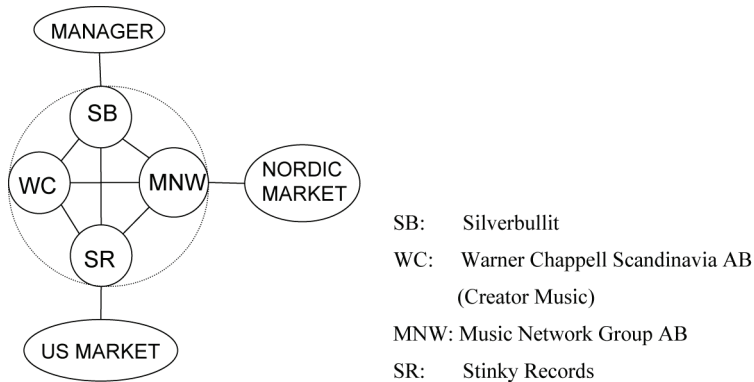
The following chapter discusses the emergence of interorganizational control in the production, marketing, and sales of popular music. It starts out with a section on how the division of labor and different actors' roles are defined and upheld in popular music production. Thereafter the chapter explores economic outcomes and distributive consequences through a description and analysis of the record contract between Silverbullet and MNW. Finally, different control practices in income generating activities will be described and analyzed.

Division of labor, responsibilities and roles

Many, but far from all, exchange relationships in the popular music industry are formally regulated. Connolly and Krueger (2005) present an illustrative overview of the complex organization of music production: First and foremost there are the musicians who form a band. The band may then have contracts with managers who earn a share of the band's earnings in exchange for their managerial services. On behalf of the bands, managers usually make agreements with bookers to promote live concerts. In addition, the bands have deals with record companies to produce and market their music. If a band composes its own music, it may also want to contract with a publisher to copyright the music.

In the production of Silverbullit's Citizen Bird album, interorganizational responsibilities are defined and upheld by various means – formal contracts, oral agreements and conventional practices. It has already been mentioned that the band Silverbullit is engaged in contracts with MNW, Warner Chappell, and in an oral agreement with a manager. During the production of the second album, the record company in turn engaged in a contract with a record producer who co-produced that record together with the band. Further, the record company has signed a licensing deal with an American record company who is responsible for marketing and distributing the band in the US market.

Figure 13: Schematic overview of interorganizational actors in music production



Areas of responsibility are closely linked to the different roles of the actors. The band's main role is to compose and perform music. The record company is responsible for coordinating the production, distribution, marketing and sales. Both the record company and the publishing company take on financing responsibilities and together with the collective societies they are accountable for financial flows. The publisher's role is further to audit and check on STIM and to try to generate revenue from synchronization rights.

Anders Jönsson explains how as publisher he feels responsible, and how he perceives of his role in the division of labor:

First and foremost – we administer – we make sure works get registered at STIM. We report the songs. We make certain they get a correct settlement of accounts – that the money really comes in. [...] We control STIM and our sister companies in the US, England, Japan so that we get the money our composer is entitled to. It isn't easy for a single composer.... I mean where shall he turn? We make sure the works get registered also outside of Sweden with our sister companies. And then we give them an advance so they can make it... We work a lot with film and TV – we try to make sure that the film and TV department sells and licenses Silverbullit for example, and that has just recently happened. A new movie which is being recorded uses two songs from Silverbullit's last record. So there are feature films, advertisement – anything. We ensure the songs generate money. (Jönsson, Warner Chappell/Creator Music, November 2003)

The manager's role in the case I have studied ranges from booking live concerts to looking after the band's interests in contract negotiations. We shall have reason to confine ourselves to a more elaborate discussion on the interceding role of the manager.

In a broad outline, it can be said that the most evident band-strategy to help handling many of the tensions inherent to the field of popular music has been to engage a manager. With a manager who takes responsibility for administrative and financial issues, a larger part of the musicians' time can be devoted to the creation of music.

One musician talks about the manager as the person the band can call when they are on tour to “ask for money to buy some food.” The contract with the manager, Ulf Andersson, is not a written contract but an oral agreement. The band never really formally decided upon Andersson's role as a manager. “All of a sudden” he was just doing managerial things for them.

There is no legal obligation to have a written artist-management agreement. In fact, one of the most successful managers ever, Peter Grant, who managed Led Zeppelin, did not have a contract. His view was that it simply wasn't necessary. In his opinion, if the artists didn't want to work with him anymore, then it was useless trying to force them to do so (Gould and Kramer, 2002).

Andersson also has responsibility for booking live performances and that is how the relation between Andersson and Silverbullit started. The band claim they don't know the percentage the manager takes for booking performances. Analyzing the relationship between the manager and the band seems most fit to do against the *Gemeinschaft* gestalt. No formal contracts, nothing artificially created – the relationship emerged without strong intentionality.

Gould and Kramer (2002) use the marriage metaphor to describe the relationship between managers and artists:

The artist-management agreement is rather difficult to enforce, as the artist cannot actually be compelled to be represented by the manager. The relationship between the parties is one of personal services. Like a marriage, then, you cannot legislate for keeping two parties together. The manager therefore usually has to accept the loss of their artist, and hope to pursue a successful claim for financial compensation through the courts.⁵¹

The marital contract's foundation has *Gemeinschaft*-like traits of control. They play an equally important role for the continuing of a band-manager relation as they do for the survival of a marriage. On the relation to the manager, Rintamäki says:

We should have a manager who could take more control of things and who had the energy to think about those sorts of things [mana-

⁵¹ "Setting up an Artist Management Company: Business, Financial and Legal Considerations" <http://www.musicjournal.org/02artistmanagement.htm> as of March 2002.

gerial] and things in general ‘cause we’re like friends. We don’t start making any extra money on each other and we don’t manage those types of matters. We can’t call each other and nag on each other – “now we should do this and that and pull things together” because that wears out the relations within the band in a bad way. We should have a manager who took care of those things. (Rintamäki, Silverbullit, June 2003)

From this statement I interpret that the band wishes for the manager to take a stronger responsibility for financial and managerial issues. Rintamäki also indicates a wish for the manager to take on such a role that the band’s internal relations do not have to become dominated by Gesellschaft. In my interpretation the band wants the manager to work as a mediating figure between them and proponents of a stronger Gesellschaft logic; that is the corporate representatives. Silverbullit’s members want to keep a focus on their music, and they make arrangements that will allow this. In contract negotiations between the band and the publisher, and the band and the record company, Andersson is the band’s representative. This arrangement also facilitates for the relationship between the band members and the corporate A&Rs to remain on a “friendly” basis so they don’t have to meet as defenders of different interests in contract negotiations.

Potential economic returns and distributive consequences

In this section, the contract between Silverbullit and MNW will be used for a critical examination of its specific content. The quote below has inspired and justifies such an endeavor.

In 1952, independent labels grossed over \$15 million, almost all of it remaining at the “executive” (white) level. Tours were set up, acts put on the road, living in cheap motels, traveling in dilapidated buses and

receiving almost no money for their efforts. As late as 1955, the five El Dorados toured the Eastern states for three months, performing in dozens of venues, and received, after “expenses” were deducted, a total of \$134 to be divided among them. (Eliot, 1989 pp. 41–42)

Silverbullit doesn’t receive a salary from the record company. The relations between MNW and its artists are regulated in contractual relations. The pay-performance link is thus tighter than in a regular company that pays a salary to its employees with less regard to the quality or productivity of the employee’s performance. Only if a record sells does it start to pay off to the artist. The financial risk connected with the market response to the final product can thus be seen as shared between the record company and the band, but the financial stakes are higher for the record company since they take on the full financing responsibility for the recording process. An effect of these practices is that the band values quality in the recording process since recording costs are born by the record company. For the musicians the artistic vision is the strongest guiding star, while the company needs to balance this against the budget. There is less of an incentive for the record company to spend generously unless the sales potential is highly estimated.

The record contract between Silverbullit and MNW that was in force during my empirical study had its primary period of contract between December 1st 1999 until the 30th of November 2001. After the primary period of contract ended, the record company used its pre-specified option to prolong the contract four times, with one prolongation period at the time. During each prolongation period, set at 12 months, the band committed to record an album. The terms of the contract were negotiated between the band’s manager and the band’s A&R at the record company.

Both record companies and publishers cope with uncertainty by the deployment of option contracts. The rights to the large potential incomes that result from the reproducibility of music are mortgaged in the form of option contracts that reduce the attached risks that

come with the unpredictability of cultural goods' economic success. If a record company or publisher loses belief in a composer or artist they have a contractual right to terminate the relationship. The option-clause of the contract can be interpreted as a symbol of the record company's relatively greater power over whether the co-operation shall continue or not.

In 2003, the record company had severe financial problems, which affected the release plan for the third album that had been initiated when the record company had picked up the option to continue the co-operation, after the primary period of the contract had ended. The band tried to get out of the contract since the record company's financially constrained situation kept on delaying the release of the album. Eventually, the situation solved itself when the record company was acquired by Push Music Group, and the album could be released on an subsidiary label to this music group.

The typical recording contract has this option-clause favorable to the record company. The typical record contract further provides that the artist is to be paid a royalty that is calculated either as a percentage of the suggested retail list price of records sold, or as a percentage of the whole sale price of records sold (usually at least double the royalty rate applied to the suggested retail price). New artists usually receive 9 to 12% of the suggested retail list price for domestic sales (Krasilovsky and Shemel, 2003). The trend is that artists get much more these days than they used to. Famous artists at MNW who used to have 5 to 6% have 15% today, says the record company manager at MNW.

The major contract deals that Krasilovsky and Shemel refer to also often have a clause stating packaging reductions for the artwork, wrapping or sales appeal added on by the packaging. It is common practice that the record companies absorb these costs, unlike recording costs that are generally charged back to the artist.

The contract between Silverbullet and MNW differs on a number of points from the typical standard contract. To begin with royalty rates on retail prices escalate with the number of records actually sold in the Nordic countries. Up until 1.500 copies sold, the royalty rate is 0%. Sales exceeding 1.500 but falling below 10.000 copies are rewarded with a royalty rate of 10%. The royalty rate for sales exceeding 10.000 but falling below 25.000 is increased by 1%, and for sales exceeding 25.000 the rate is increased by another 3%. No royalties are paid on records that are given away for promotional purposes.

Recording costs are recouped only on revenues from foreign sales, which are split 50/50 between the band and the record company. So, MNW recoups recording costs from revenues coming from the licensing deal with Stinky Records that operates in the US market. These are the only recoupable costs specified in the contract apart from tour support that will be 100% recoupable against the band's total income, "unless otherwise agreed between the parts." However, there are no packaging or other marketing deductions on royalty revenues.

The contract contains no guaranteed minimum compensation level. There is a great risk – but at the same a small chance – that the artists engaged in contracts similar to this will be able to live off their music. There is a huge number of artists who want to produce and release records in cooperation with a record company. Very few of the demo-records that pile up in the A&R offices even get listened to. Furthermore, there is an over-supply of recorded popular music in the market. Few records are profitable, but since the profit-margin is high for every record sold above break-even, the success of one hit-record can make up for many losses. While the entire supply of movies that plays on a certain day can be summarized on one page of a journal, one interviewee remembers that on one single day in November 2000, 770 full-length albums were released world wide.

In this section I have given an example of contractual content in an artist-record company relation. Even though the economic terms in the above described deal, as well as in most standard contracts, permit few signed artists to make a living out of making music, royalty rates have risen to the favor of the artists, if we look back historically over the years. In Hirsch's (1972 p. 645) study, it is remarked that record companies seldom provided royalties higher than 3 to 5% of sales.

A musician claims that royalties from record sales are a relatively insignificant part of the totality of incomes from music. Potentially greater income sources are touring, merchandise and other related things. As far as I understand, the members of Silverbullit were not dissatisfied with the economic content of their record contract at this point in time.

The former review of areas of responsibility and control in the network of central actors in music production showed that the band's primary strategy to handle interorganizational relations was to engage a manager. The section that now follows will focus on the corporate actors' strategic action with regard to interorganizational relations.

There seems to be a link between formal contracts and the character of the contracting actors' relation in the sense that if the contractual terms and the potential economic returns are distributed in a manner that the participants perceive of as fair, a feeling of solidarity will increase. Through solidarity, social control is reinforced. The next section focuses on the emergence of social controls, notably in promotion activities.

Social controls in promotion activities

Given the financially strained situation of MNW, in combination with the unpredictable response from media and the audience, a

promotion strategy to “invest in anything and hope that something will pay back” could not work. The situation overall in the music industry indicates that such strategy will probably not work for any music corporation. Then what can be done, and what is being done? This chapter analyzes corporate interorganizational control strategies with examples from the record company and the publishing company.

Pep strategies

Given that cultural organizations are positioned within tight financial limits, and given also the special characteristics of the cultural field where actors perceive it is difficult to anticipate and even harder to control the constructions of cultural products’ symbolic values, it seems logical that cultural organizations resort to try to control what they feel they at least have a possibility to control.

In previous chapters I concluded that musicians’ focus was principally on the creation of music’s aesthetic content, which then became the input to commercial music production – beginning with the signing phase and ending with the delivery of the commodified music to a public audience. Corporate A&Rs’ control interests focused on trying to realize sales, i.e. the music’s exchange values. But exchange values, measured by sales figures for example, cannot really help guide strategic action, but can only give an account of the outcome of operations and strategies already undertaken. The “management of personalities” was therefore identified as a more pro-active control strategy. Below, I want to give an illustration of one such strategy: how the record company A&R tries to get the internal departments pepped up for the launch and sales of an album.⁵²

⁵² A return to Figure 10 on p. 142 helps to understand what internal departments and external actors the interviewee refers to.

To begin with, strategies... it is often the case that A&R, Marketing, Promo – those are involved from the beginning because it's almost like... You could perhaps argue that Sales should be involved, but it's hard for the sellers to know – if you play them a record – “yeah this is great” – then still they can't do much because they don't have any tools. They must have tools and incentives in order to start working. That's why it often starts... In the record industry you need to work to get an interest and pep built up for the band before you start selling it. (Helin, MNW, March 2003)

As Björkegren (1996) points out; because of the high level of flux characteristic of the cultural field, the business strategies of arts-producing organizations tend to be emergent rather than deliberate – an outcome of interaction rather than the result of internally generated business plans. Strategic interaction starts with internal promotion.

The A&R at the publishing company made sure that representatives from Warner Chappell's offices, both in New York and Los Angeles, came to see Silverbullit play when they were attending an Export Music Sweden showcase in New York in 2002. Afterwards the Swedish Warner Chappell representative was content to hear that the other offices had liked it.

I believe it's important before I sign a contract with a band – that I can anchor it – for example in the US. I like to be able to say to the band that Warner Chappell in L.A. like you and they can do this and that for you. It's hard to work with material you don't like so I want to anchor it in the US and especially because Silverbullit is the type of band that could do well in the US, I need to get Warner Chappell US interested. (Jönsson, Warner Chappell/Creator Music, November 2003)

The A&R at the record company also gives prominence to internal promotion work.

The internal promotion the A&R does is crucial before you start selling. It aligns everyone. When it succeeds – when you release the record – then it should peak and everyone should think “now god-damn it!” (Helin, MNW, March 2003)

The pep strategy is used not only internally, but also in interactions in the external relations. Concrete examples of what can be done to work the pep up is given in the quote below by the record company A&R.

Customers that we focus on the most are the record stores because we must get them to work with us – that’s really important so they feel for our products and push for them in the stores. [...] It is important for us that Pet Sounds⁵³ feels that they want to be engaged and work with the next Silverbullit record. Then you may do some ads together or you can have the band play or sign records in the store. (Helin, MNW, March 2003)

Besides pep strategies, another corporate interorganizational control strategy – commercial sociability, seems important. In the following subsection I will turn on a description, and an interpretation of the preconditions and consequences of commercial sociability.

Commercial sociability

The popular music industry in Sweden is not larger than that it permits most active actors to be aware of each other’s existence. Organizations and actors get connected through the various networks that make up the industry. Artists get to know the employees and the other artists on their label, and people also get to know each other through co-operations over company borders. Artists occasionally meet each other through music collaborations and feature on each other’s records and concerts. People meet in informal arenas such

⁵³ Pet Sounds is a record store in Stockholm.

as concert venues and bars. Musicians might perform at the same festivals, or go on common tours and get acquainted. Some actors connected with the music industry participate in industry events or go to award galas, record company parties, record releases and the like. Musicians and corporate actors mingle on many occasions like these. Information is shared, perhaps on experiences from having worked with this or that technician, producer, booker etc. You share information, extend your social and professional network, socialize and make friends.

In an extensive field study of the book industry, Coser et al. (1982, p. 85) observe a theme of balancing friendship with a commercial reality in their material: “[...] there is a constant round of sociability which, though apparently informal, is vital to successful publishing.”

The commercial aspect of the sociability Coser et al. describe comes through in the language used by corporate representatives in my empirical material.

I want to have a social relation with everyone I work with. A lot of composers are my friends now. I want the composer to feel confident. This is not about products but people – that’s what’s special about this industry. [...] In order to be credible... If a number cruncher had met with Silverbullit it would never have worked, but I feel there is a mutual respect between us. (Jönsson, Warner Chappell/Creator Music, November 2003)

In my interpretation the expression “I want the composer to feel confident” hints at a *Gesellschaft*-like intentionality. According to my understanding it is not a formulation that corresponds to how you speak about a relationship to a friend. Further, in order to gain the artists’ trust, it seems important for this A&R to present himself as genuinely interested in music and not driven by profit as much as of the passion for music.

A very straightforward theme that appears in interviews with A&Rs is their strikingly homogenous backgrounds. I draw from both primary and secondary sources to illustrate below how A&Rs answer the open-ended question of how they ended up at the company at which they are currently employed.

I used to play in a band, but finally I realized my limitations as an artist, so I ended up starting a record and publishing company in 1985. (A&R, Warner Chappell/Creator Music)

I am a musician and a producer myself. My background is that I ran my own record company that I sold to MNW in 1999. (A&R, MNW)

I wanted to be a Rock 'n' Roll star when I grew up. (A&R, Dream-Works Records)

I was in a band in high-school. We were like the little local band. The only band in the town. We had a great following, but we would never had made it outside of our town. I leave that to the experts now. (Director of A&R, American Recordings)

I knew I was never going to be a performer, so I guess I wanted to be behind the scenes. (Senior Vice President of A&R, Columbia Records)

I also played guitar in bands from when I was 16 or 17 until about four years ago when I got my first A&R job. (Vice President of A&R, MCA Records)

I was in another band after that first band, and we actually got a little record deal on a label called Grass Records out of New York. (A&R, Maverick Records)

From the quotes above it can be assumed that the A&Rs should be able to identify with the habitus of artists fairly easily. Having had Rock 'n' Roll dreams of their own as young men, not only should the A&Rs be able to understand the artists they work with, but to an extent they should also be able to realize their own "old dreams" through working with their artists.

There are aspects of the relation between the A&R and the artist that can be compared to the relation between a parent and a child which Tönnies correlated with a *Gemeinschaft* sociability. First, when it comes to the fact that every parent has been a child (just as seemingly every A&R has been a musician), and secondly, as regards what we can call the nourishing aspect. Just as it is the responsibility of a parent to provide for the development of their child, it is the A&Rs' responsibility to develop the artists they work with. Yet, I want to refrain from describing this relation in any other terms than as a pseudo-*Gemeinschaft*.⁵⁴ The commercial aspects of the relation will constantly be in the background.

Silverbullit's singer says he has met their contact person at the publishing company only once.

I think that says it all. I wonder if they have any plans for us whatsoever – the record company on the other hand, that is different. (Ohlsson, Silverbullit, June 2003)

A significant difference between the relation the band has to the record company A&R and the publisher A&R is that the band has a closer relation to Helin at the record company whom they see more often, and who is more of a central coordinating figure in the *Citizen Bird* record production.

Helin's philosophy regarding the relation to the band differs from Jönsson's (the publishing A&R). Helin thinks it is of vital impor-

⁵⁴ The term pseudo *Gemeinschaft* is mentioned by Coser et al. (1982, p. 85) with reference to a similar interpretation of common practices in the publishing industry. There are also evident parallels between the notion of conventional sociability used by Tönnies and my proposed concept of commercial sociability. "All *conventional sociability* may be understood as analogous to the exchange of material goods. The primary rule is politeness, and exchange of words and courtesies where everyone appears to be concerned for everyone else and to be esteeming each other as equals. In fact everyone is thinking of himself and trying to push his own importance and advantages at the expense of all the rest." (Tönnies, 2001[1887] p. 65)

tance to communicate the financial logic and the number-crunching reality of a commercial company to the musicians he works with:

It is extremely important to explain the commercial reality of the record company to the artists. I try to make it clear both to my artists and to other A&Rs that we are a company, we need returns. We are commercializing your product, that's why you have come to us. Really – artists want to reach out as far as possible, they want to sell as much as possible so there is no contradiction in this. We all want the same thing. But quite often you end up in a situation where the band will think that “the record company is commercializing on us” and I think it's because you haven't communicated enough what it is you do when you write a contract. It is important to communicate to the band what economic risks you are taking because then you can treat the musicians like the co-workers they are and then everything can pretty much work by itself. (Helin, MNW, March 2003)

Helin also speculates about why the relation can function satisfactorily even though ultimately the band and he are defenders of, and seek to control, different types of values in the music making process:

[...] maybe it's easier because I am a musician and producer myself so it may be easier for them because they can trust me. (Helin, MNW, March 2003)

And the band does express a trust in Helin both in creative and economic matters. They entrust his opinion on mixes and explain that a person like Helin who releases three singles a day probably knows best what song should be released as a first single. After all, the purpose with the single is that it gets played on the radio – that is an issue Helin handles better, the band agrees.

I have shown examples of two types of commercial sociability strategies where Jönsson's was to strive for an interaction according to logic typical of *Gemeinschaft*. The other example, Helin's strategy, was to act according to *Gesellschaft* logic, or at least to relate to the

dominating corporate *Gesellschaft* logic, and be open with that in the relation to the musicians. All the same, in trying to understand and make sense out of these interaction patterns, the notion of pseudo-*Gemeinschaft* remains. Helin again expresses:

I don't have any direct contact with journalists. The Promotion department on the other hand – they try to make friends with everybody [laughs]. No, but of course we try to have... they are dependent on us and we on them so that is mutual. The same thing goes for radio, if you disregard commercial radio where you buy yourself in more or less. (Helin, MNW, March 2003)

It can be concluded that phony friend-making practices in numerous interorganizational relations are a control phenomenon of the music industry. The kinship-like relation that develops over the time-span from signing to launching an album, between the band and the corporate actors facilitates for the moral content of practices to become internalized and taken for granted. Taking artists out for dinners or drinks, which is common practice in the music industry, amounts to the development of social bonds and demands which are inextricably linked to economic demands like, for example, delivering a record on time. Just as an internalized moral may be more “effective” in a society than formal laws, I interpret these social elements of control as being of utmost significance in the relationships between the band, the record company and the publisher.

The coordinating and controlling practices that develop in the interorganizational relations that I have studied *are like* the bonds that develop in a circle of close friends, but they *are not* such bonds. I suggested these relations could be interpreted as characteristic of pseudo-*Gemeinschaft*. In a similar vein, Bourdieu suggests:

The art business, a trade in things that have no price, belongs to the class of practices in which the logic of the pre-capitalistic economy lives on (as it does, in another sphere, in the economy of exchanges between the generations). These practices, functioning as practical

negations⁵⁵ can only work by pretending not to be doing what they are doing. (Bourdieu, 1993, p. 74)

It is the desire of the A&Rs to engage in long-term relationships with the artists, and if they are lucky they will be able to build, nourish and enjoy long-term relations on professional as well as personal terms. At the same time, if the financial resources at the record company or publishing company become scarce, the A&Rs are the ones who will have to tell the artists they have to go. In this regard A&Rs are marionettes under the financial logic of the company and they have little or no power to act outside of this financial logic. They know that they have to face up to economic standards and if they do not there is no pardon. The reality is such that the A&Rs might have to make use of their option to terminate the formal contract. This of course also means the end of their social contract with the artist. The ending of a long-term relationship “hurts less” if there has not been any deep personal and emotional investment. This may be a way to understand the development of a pseudo-Gemeinschaft in the empirical narrative presented in this section.

⁵⁵ Translator’s note: “The terms *negation*, *denial* and *disavowal* are used to render the French *denegation*, which itself is used in a sense akin to that of Freud’s *Verneinung*. See J. Laplace and J. B. Pontalis, *The Language of Psycho-analysis* (London: Hogarth Press, 1973), entry ‘Negation’, pp. 261–263.”

CONTROL AND MUSIC CONSUMPTION

The question in focus in the following presentation is what controlling mechanisms affect cultural consumption (excluding the internal efforts I have already examined, such as PR campaigns and marketing and pep strategies in the retailer chain or towards foreign affiliated companies). Instead, in this chapter the center of attention will be laid on mechanisms that assist in organizing cultural goods according to a value-hierarchy. In other words, these mechanisms support constructions of “good” and “bad” music. They also sort “good” artists from “bad” artists. The chapter presents a continual field analysis of classifying mechanisms in consumption of popular music and their subsequent implications. I do not claim to be exhaustive on the topic of classification in the text that follows. Ambitions in that direction can be found in DiMaggio (1987). My focus will be on two classifying control mechanisms that influence what popular music is being consumed; an award-and-list culture, and the Romantic ideal. Thereafter I will attend to the question of what consumers seem to get out of this.

Anxiety and the growth of an award-and-list culture

Caves (2000) points out that cultural products differ unpredictably in the quality levels that consumers see in them. Artists also differ in skill, originality, and/or proficiency, though less unpredictably. Caves calls this the *A list/B list* property of cultural workers. From my

epistemological perspective, the A list/B list construction is an example of a classifying control mechanism in the cultural field. The unpredictability and uncontrollability of the social construction of value leads to anxiety. This sets in motion people's attempt to sense the taste of others. This type of anxiety has been observed in other contexts and industries as well. Keynes (1936, qtd. in Hellman, 2000 p. 41) compared the behavior of actors in the stock market with the behavior of judges in a beauty contest who picked who they thought the other judges would pick rather than who they considered to be the most beautiful. In a cultural field it becomes even more complicated because as a culture lover you want to show that you have a taste of your own.

I speculate that it is in part to minimize anxiety in a world of increasing choices and possible attitudes towards cultural goods that an award-and-list culture has developed in the cultural field that centers on giving prizes, defining best actor, best movie, best rock group, best album. There is also the example of billboards, hit lists, etc.

Classifications may be economic capital driven or cultural capital driven. A Grammis⁵⁶ award illustrates an example of an economic capital driven classification. Who gets played on the Swedish public radio is the effect of cultural capital-intensive classificatory mechanisms. The Swedish public radio's channel P3 has a music policy which stipulates that a third of the music played must be Swedish (i.e. Swedish performer, and/or composer of music or lyrics). The channel promotes contemporary music and strives for a music journalistic content that can spread knowledge and awaken an interest for new music.⁵⁷

How can the effects of the anxiety feature and the award-and-list culture be interpreted? The rest of this section will be devoted to an

⁵⁶ A Grammis is a Swedish equivalent of a musical Grammy award.

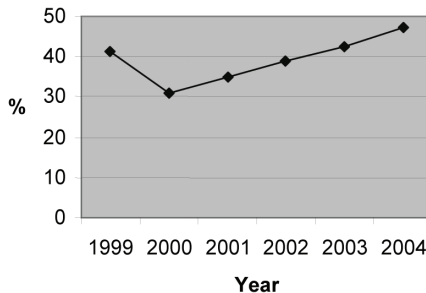
⁵⁷ www.sr.se/cgi-bin/p3/artikel.asp?Artikel=1142758

analysis of what type of music sells as an indicator of what type of music is consumed.

Risk/chance minimization and an undermining of cultural capital

From a content analysis of the statistics that show gold and platinum sales in Sweden from 1999 to 2004⁵⁸ I observe that many of the albums are reissues of old recordings. The diagram below shows the relation of released compilations (i.e. greatest hits collections by single artists or albums of the type *Absolute Music* by various artists), compared to albums by individual artists or bands (the self-titled debut album *The Plan* (2001) being an example). Some examples of what I have categorized as compilations are: *Most Wanted Music 11* (1999), *Smurfhits 7* (1999), *Lokets favoriter 2* (2000), *Madonna Greatest Hits 2* (2001), *Absolute Kidz 5* (2002), *Fame Factory Vol. 4* (2003) *Absolute Music 47* (2004).

Figure 14: Graph of compilations and various artists to individual artists or bands



The graph shows a move towards a 50% ratio of compilations and greatest hits to new music. Let us pause at the most significant ques-

⁵⁸ Gold: 30.000 copies sold. Platinum: 60.000 copies sold. The level was changed on the 1/1 2002 from 40.000 copies to 30.000 copies for a record to be gold awarded.

tion posed by this graphical depiction of gold and platinum sales over six years – what musical content sells, in other words is consumed?

There is an increase in the percentage of re-released to new music, and in various artists to individual artists or bands. The statistics suggest that the industry promotes artists with already documented careers through the releasing of “greatest hits” albums with established artists like Madonna. In support of this interpretation, several A&Rs say that to find new artists does not belong to the everyday duties at record companies. It is more a question about working with what you have, i.e. with artists who are already on the company roster. American A&R Tom Sarig says he has signed six new artists in three years. Another American A&R says he listens to new music “two or three hours a week” which I find to be surprisingly little. The financial logic behind this development is that the record companies back catalogue constitutes a very profitable asset, fully depreciated since many years back.

The effects of risk/chance minimization practices in the cultural field – sometimes referred to as “bestsellerization” in popular speech – are diminishing cultural capital in the popular music field. Higher levels of more “high risk” releases, i.e. previously unknown, atypical artists or bands could have been interpreted as signaling courage and independence on the part of the record companies, and such ventures could potentially have strengthened the field’s cultural capital, under the condition that they had also managed to attain the legitimacy they so extensively depend upon. Oakes et al. state that in losing important field-bound capital, a field loses its ability to define and control its own products, consumers, and the market in which its capital will be exchanged. If a profession can no longer hold on to a body of knowledge, that is, it becomes open to challenge, then the cultural capital of the field risks being lost (Abbott, 1988; Oakes et al., 1998; Kurunmäki, 1999).

When the record companies talk about minimizing risks, they don't think about risks connected with losing cultural capital. They want to minimize financial risks and one way to do that is to shove some of the risk on to the artists.

As a result of the fundamental changes in our business, we now have to find ways to share more risks with artists, and to take fewer risks overall. (Tom Mackay, Senior VP of A&R, Universal Republic Records, November, 2006)

Risk reducing strategies are already being used, and effects can be traced on the supply side. A closer look at the IFPI statistics points to an interpretation sometimes said about the music industry that "what has worked in the past is not a good indicator of what will work in the future," is questionable. At least it is questionable whether that statement has any real impact on the suppliers of popular music. Let us take the example of *Absolute Music 47*. The number 47 indicates this worked 46 times before. I speculate there is a high probability the 47th Absolute Music collection will not be the last one produced and consumed.

Another risk/chance minimization strategy can be illustrated by *Lokets favoriter 2*.

Figure 15: Loket⁵⁹



⁵⁹ Photo: TV 4. Borrowed from www.tv4.se.

During the years 1991–1999 Locket had a steady following of people who watched his very popular bingo show on TV. The idea that a TV promoted figure should be a safe card and bring sales was soon going to be additionally twisted and reach unexpected heights through the artificial making of artists which exemplifies yet another response to the unpredictable consumption patterns in the popular music environment. The making of “idols” by help of a successfully documented program idea amounts to constructing artists by addressing a mass market at an early point in time in the production process. “Boy bands” is another example of the artificial making of artists. Paradoxical as it may seem, this artificiality lives parallel to a strong norm for authenticity in the music business. Even though the record companies often seek risk minimization strategies there is a counter force to this represented by other actors.

Mixedjan, which is one of Sweden’s largest record sellers, and the ATL Group (ATL gruppen) which is also a large chain of record shops, has turned to MNW and said that they are interested in selling “real” artists, and that they want to help build growing artists’ careers. At MNW this is seen as a counter force to the promotion of “*Tomas Ledin samlingar*” which are compilations by a Swedish well-established artist. The French music store Fnac has a similar philosophy. They work closely together with the record companies and invite artists to come and play in the stores. The reason is not simply because Fnac is also France’s number one seller of concert tickets, but as a company representative explains, Fnac wants to be engaged in an exchange and this has been the corporate vision since the company’s start in 1954. Fnac started out as a business that mainly sold photographs but soon extended to selling books and inviting authors to the stores to facilitate their direct communication with potential buyers. The founders of Fnac had decided that they only wanted to sell the best. They wanted to select. Only that which Fnac considered quality was going to be sold. Anissa Jarrar, responsible for music, communication, and marketing at Fnac explains:

We want to give our customers advice, not only sale anything. This is our soul. Otherwise we would be Carrefour or any other record store and we would only sell what was on the lists.⁶⁰

These are examples of both Swedish and French record sellers working to defend the cultural capital of the popular music field.

In the following section I will return to where I started – the production side – in order to scrutinize classifying mechanisms at the input boundary of music production. More precisely, I am going to examine what precedes the production by investigating what type of artists get signed to record companies. Thereafter I will speculate on the relationship between sifting mechanisms at the input and output boundaries, i.e. between the music released and the way the signing processes work.

Authenticity and the Romantic ideal

The types of music that in the end are sold, consumed, and awarded hit listings or gold records depend to a large extent on the types of music that are promoted, distributed and sold with the help of record companies. Therefore we need to return to where we started; in the production of music, more precisely at the input boundary of music production where artists with potential to deliver good songs get signed. Here I identify a sifting mechanism in the form of a norm that I shall refer to as the Romantic ideal. The following presentation focuses on how this norm is created and preserved.

⁶⁰ Anissa Jarrar giving a speech at the Ministry of Foreign Affairs in Paris July 1, 2007.

An excluding Gemeinschaft

Holgersson (2003) shows in her doctoral dissertation about recruitment of executives how this process can be described in terms of homosocial co-optation. Not only does this concept fit well when it comes to explaining how recruitment processes work within companies, I also think homosocial co-optation describes the signing process well. Co-optation means the election of certain people and the exclusion of others. Lindgren (1992) has observed the co-optation culture among physicians, and she could observe an informal rule that implied every new member should bring something valuable and new, or in other ways reinforce the choosing group's status. When the norm in the music industry is constituted by a hegemonic masculinity, there is of course a great risk involved in signing anything that may deviate from this norm in a potentially status-lowering way. What qualities do A&Rs look for when they try to recruit new artists?

Number one, I try to sign artists that I feel are stars. (Vice President and A&R, Epic Records)

[...] things like the power and the passion and whatever star qualities that make the hairs on the back of your neck stand up. You know it when you see it. (Senior Vice President, Columbia Records)

When I go to see a band, I think it's all about going to see magic. I still love being a fan. Seeing that guy on stage and thinking that guy is not like you or me. He's different. He's magical. [...] It's star quality. Magic. You know it when you see it. (A&R, DreamWorks Records)

By and large, the descriptions are formulated in very general terms and most of the time the A&Rs refer to the stars as male. Creative power or musical talent is seen as something mystical, magic and romantically transcendent. Star quality is represented by artistic and musical genius, something almost divine. The A&Rs find this difficult to describe.

Maintaining a Romantic specification of requirements for a good artist involves a risk that the power struggle between different advocates for what is “good” fail to turn up. A Romantic ideal becomes an invisible barrier for the questioning of what types of artists get signed. A Romantic ideal also allows a free scope for every A&R to define good music according to his taste, but so to say “under cover.” We recall Bourdieu’s argument (1984) that taste is power in disguise. It remains hidden under the surface that the predominant taste is formed in the homosocial relations between men, i.e. the norm for good music is homosocially constructed since most A&Rs are men (see p. 123 ff).

In an interview in the magazine *Genus* (No. 2, 2004), Eva Öhrström, who is professor in musicology at the Royal Academy of Music in Stockholm, is asked whether she believes women meet a glass ceiling in the world of music. She explains that the glass ceiling descends from the male concept of genius that was spread during the beginning of the nineteenth century.

The woman was seen as an aesthetic object. Her beautiful body and soul were seen as a compensation for her lack of creative genius. She could reproduce but not produce. Philosophers and musicians during the 19th and 20th centuries have then administered these opinions. Another explanation that is very evident nowadays is the male social networks that women are kept out of. (Eva Öhrström, *Genus*, No. 2, 2004)

Within the leadership research conducted from a gender perspective, Wahl (1992) has studied notions about male and female and the construction of female leadership. That the notion of a *female* executive exists signals that it is the male leadership that is the norm and the female is something that deviates from it. Notions about female managers are, in the worst case, represented by understandings of women as defective, and at best female leadership is constructed as complementary to the male norm. That is to say, male leaders can only be themselves, while women in leading positions

have to relate to what men are and to how to complement them. But not even the notion of women as complementary resources may be a help to women trying to enter typically male domains, whether that is in the music or the business world. Höök (2001) has studied notions of leadership, masculinity and femininity at a leadership development program, and she observes how a group of men, different among themselves, form a whole, which excludes women since they are therefore not needed. The quote below illustrates how men, through their mutual differences, constitute a complete totality. I speculate this illustration is representative for what it looks like in the music industry.

We have a lot of very heavy and very rock things coming out this year. I think I came in to be the “wuss rock” guy, [laughs] to find a Coldplay or Radiohead or a Travis.⁶¹ (A&R, DreamWorks Records)

Here we can see how the above reasoning seems to apply to the composition of the A&R-team as well as to the artists. The wuss-rock guy is someone different, softer, and more feminine which can complement the tastes of the majority of A&Rs; and Coldplay, Radiohead and Travis represent different bands in that they are softer and more wimpy than the prevailing artistic ideal. Succinctly, the construction of a good artist is quite narrow and affected by a predominant male rock ideal.

Below are two diagrams showing thirteen current album releases listed in the Swedish magazine *Musikindustrin* (May 2004), and the hit list covering the 60 most sold singles during the 10–16 of May 2004, published on the homepage of Swedish Radio. Single male artists, groups consisting of only men, or groups dominated by men have been classified male. Women have been classified correspondingly. Groups consisting of equal numbers of men and women have been classified as mix (for example A-teens).

⁶¹ Coldplay, Radiohead and Travis are bands consisting exclusively of men.

From the diagrams below the conclusion can be drawn that it is predominantly male artists who are being released and promoted by the record companies. A comparison of the right and left diagrams suggests that the ratio of hit singles to releases is higher for the female category of artists. This invites an interesting speculation that even though a majority of men are being signed, women artists and groups represent higher sales figures seen in relation to the proportion of releases.⁶²

If the otherwise predominant economic logic in parts of the popular music field ruled, we would see more female artists; sadly enough the logic of the dominant economic field does not seemingly apply here.

Figure 16: Gender distributions; albums and singles



The gender structure is mirrored in the mass media. A scanning of the cover pages of one of the influential Swedish music magazines, *Sonic* is presented below and the pictures speak for themselves. On the cover pages of *Sonic*'s sixteen latest issues, this is what it looked like:

⁶² This remark was made in a seminar where I presented these statistics.

Figure 17: Gender distribution; music magazine front cover

Distribution of men and women
on the cover of Sonic



The photo of a male artist or group was represented on ten cover pages, while a woman artist was represented on three covers. On the remaining three covers both men and women were represented. An example was a picture of Anders Wendin, Per Gessle, Karin Drejer, and Christian Kjellvander. The mapping of the gender structure among artists as well as among record company employees confirms an unequal gender picture of the music industry that has taken form both from my experiences as a musician and as a researcher of the industry.

I believe both Lipman-Blumen's homosociality thesis (1976) and Kanter's theoretical propositions (1977) that men prefer men because they feel uncomfortable when it comes to women's way of communicating, may be applied to the excluding of women in music. First, women are excluded at the entrance of the record company, i.e. women do not get signed to the same extent as men. The male A&Rs identify with the male musicians whose music they understand. Secondly, women do not have the same possibilities to enter the A&R position, i.e. women do not advance, partly due to the fact that men prefer men. Another hindrance is illustrated in the quote below from the Senior Vice President of A&R at MNW:

All our A&Rs are... no, actually, not Ann-Marie, but on the other hand she has worked at MNW for 25 years – but apart from her, all A&Rs are musicians. I think it is quite important, so you have an understanding of what that means too.

Steve Albini who is an American musician and producer means that the record companies hire A&Rs that musicians can recognize themselves in.

After meeting their A&R guy, the band will say to themselves and everybody else, “He’s not like a record company guy at all! He’s like one of us.” And they will be right. That’s one of the reasons he was hired.⁶³

This ties back to the commercial sociability aspect of the relationship between corporate actors and musicians – the pseudo-Gemeinschaft which was developed in the context of music production. In the following section, I will assess the notion’s interpretative power in the context of music consumption.

Pseudo-Gemeinschaft in music consumption?

Quite often the listener demands authenticity from the artist, for example in a live performance. But sometimes a sense of false reciprocity between the audience and the artists can present itself:

Three years ago Mary J Blige performed in Hultsfred. She turned her soul inside out, spoke of lost love, cried a few tears, and finally patched up her heart in a euphoric final. It felt more like therapy than a concert; like if Mary J Blige and the audience weren’t separated by a riot barrier but by a sofa table with a pack of Kleenex on it.

I was convinced I had witnessed something unique until I saw a DVD where Mary J Blige performed the exact same show. Even the friendly small talk between the songs was identical. It should have made me appreciate Blige even more. Only a brilliant artist can put on such strong feelings on demand. But somehow I felt a slight disappointment that the emotional outburst on stage wasn’t authentic. (Fredrik Strage in DN May 11, 2007, my translation)

⁶³ www.negativland.com/albini.html

A brief comment on this anecdote is that I picture that the notion of pseudo-Gemeinschaft may well be relevant for interpretations of other practices and phenomena in music consumption contexts, apart from live performances.

This chapter will be rounded off with a summary of its main points and some reflections. Classifying control mechanisms help organize popular music value – hierarchically, and thus promote what types of music get awarded, playlisted on the radio etc. In prolongation this helps spread certain types of music, while it hinders others.

Several characteristics of the popular music field point to conservative structures. To the extent structural changes in this dimension are taking place, it can be said to be away from the cultural pole towards the economic pole. On a general note, classifying controls play a role in the transformation of use values into exchange values. Embodied cultural capital cannot be exchanged because it is tied to a person and his/her competence and charisma. There is an economic incentive in the industry to objectify and institutionalize cultural capital to the extent it is possible because then it is easier to continue capitalizing on cultural capital in case an individual artist's career dies. This trend demonstrates how personal style becomes transferred into genre. This allows for any new musician to be bearer of a successful concept or creative idea that has proved to work in the past.

It is also evident from the interviews that the A&Rs seldom sign new artists. In descriptions of their everyday job duties, they talk about how they develop the already-signed artists. A low degree of change among the artists can be interpreted as a conservation of existing structures built on prevailing notions of “good development,” “good artist,” etc.

A female artist with extensive experience from the music industry who read and commented on an earlier draft of my study mentioned that in her experience A&Rs typically sign artists similar to

the ones they already work with because then they know how to do their promotion. As a consequence, a majority of male rock artists and bands get picked up by record companies because the A&Rs would not know the promotion requirements of an introverted, quiet-singing lady for example. I suggest conservative practices provide one piece of the puzzle that explains the reproduction of the gender order in the field of popular music.

Conservative practices preserve existing structures, and the traditionalist aspects of cultural production and consumption seem fairly stable over a 25 year perspective.

We see that the same people often cooperate repeatedly, even routinely, in similar ways to produce similar works. They organize their cooperation by referring to the conventions current among people who participate in the production and consumption of such works. If the same people do not actually act together in every case their replacements also know, and are proficient in the use of, the same conventions, so that the cooperation can go on without difficulty. (Becker, 1982 p. 369)

The next section continues with consequential questions such as what consumers seem to get out from the current structural environment and existing practices.

On relationships between production and consumption

Adorno (1991, pp. 187–197) sees a tight link between the conditions for production and the way cultural products are received and consumed. He states that amusement is the prolongation of work under late capitalism because humans have become conditioned to seek familiarity and resemblance. Amusement is sought after as an escape from the mechanized work process, and as a reinforcement in order to be able to cope with it again. This is why our free-time is not really

“free” according to Adorno. What happens at work, in the factory, or in the office can only be escaped from by approximation to it in one’s leisure time. All amusement suffers from this malady. And hence, no independent thinking can be expected from the audience since the product prescribes every reaction. But even though people see through the workings of the culture industry, they buy into it. Adorno’s analysis suggests that culture as it is now conceived of, exists because freedom does not (Adorno, 1991, p. 17).

Evidently inspired by Adorno’s ideas on the culture industry, the French economist Jacques Attali (1985) seeks to construct a theory which holds an idea of how freedom can be regained. Perhaps rather than a theory, it is a vision of a future society:

In this book I will attempt to trace the history of the relations between music and society with the world of production, exchange, and desire; the slow degradation of use into exchange, of representation into repetition; and the prophecy, announced by today’s music, of the potential for a new political and cultural order (p. 19). [...] My intention here is thus not to theorize about music, but to theorize through music. The result will be unusual and unacceptable conclusions about music and society, the past and the future. (Attali, 1985, p. 4)

To compose is to modify the meaning of form in the course of its production, to empty exchange/use-value of its alienating content, and to attempt to designate the unspeakable and the unpredictable (Attali, 1985, p. 142). In a stage in society where people can compose, and enjoy composing for themselves, or even for its own sake, the notion and goals of labor changes meaning. The exclusive goal of labor will then no longer be communication with an audience or usage by a consumer, even if it remains a possibility in the musical act of composition. And contrary to Adorno’s ideas of how people’s free time is not really free, Attali suggests that:

Composition liberates time so that it can be lived, not stockpiled (p. 145) [...] To my knowledge, the economic organization of this

form of production lacking defined goals, and the nature of the new relation it creates between man and the matter, consumption and production and pleasure, have never been expressed in theory before. (Attali, 1985, p. 142)

While the new economic organization and relation Attali describes have quite rightly never been studied before; what actually has been studied before, is the link between existing relations and prevalent structures on one hand, and music content on the other hand (for example Hesmondhalgh, 1999). But Hesmondhalgh concludes from his case study of two British independents, Creation and One Little Indian, that it is hard to speak about the relationship between institutional politics and the aesthetics of indie music. It is easier to talk about the institutional politics than it is to conclude about the aesthetic consequences, which is why Hesmondhalgh consequently refrains from doing it. However, there are other researchers that have attended to the topic.

The subject of novelty and diversity in the popular music industry was tackled by Peterson and Berger in a seminal research article from 1975 which concludes that high market concentration will lead to homogeneity and standardization in music, while low market concentration leads to innovation and diversity. The results are based on an analysis of data from Billboard charts between the 26-year period from 1948 to 1973.

While Peterson and Berger's predictions of further market concentration through vertical integration have largely materialized, there is also a parallel trend towards increasing long-term partner relationships. Burnett (1990) provides quantitative evidence to the fact that both concentration and diversity increased during the 1980s, and his interpretation is that majors and independents co-operate rather than compete with each other.

The music industry is characterized by networks of symbiotic relationships linking majors and independents together in deals and

arrangements, including financing, record pressing, distribution, and marketing arrangements. Such arrangements enable majors to spread their fixed costs and to stabilize their revenues, while providing many small independents with large-scale back-up services (Scott, 1999). The big and the small companies are mutually dependent since the majors need the independents' niche competence in finding new artists, and the small companies need access to the majors' capital, and marketing and distribution channels. Many smaller independent record labels engage in joint ventures with the majors or become wholly acquired. In the year 2000, BMG for example had more than 200 labels in 54 countries (Annual report 1999/2000).

In 1992, a replica of Peterson and Berger's study of innovation and diversity in popular music some fifteen years later between 1969 and 1990 was published (Lopes, 1992). Lopes' main argument is that the level of innovation and diversity in large cultural industries depends more directly on the specific organization of each industry and the structure of its market than on the degree of market concentration. According to Lopes, major record companies employ an open system of development and production that incorporates innovation and diversity as an effective strategy in maintaining the controllability of the market.

The changes since 1949 in the ratio of labels to corporations seen in the Billboard charts suggest that the tremendous increase in market concentration from 1969 to 1990 has not led to a closed system of production. The large number of labels compared to corporations in the 1980s demonstrates that the open system which uses several independent division labels and establishes links with small independent labels characterizes the contemporary development and production of popular music (Lopes, 1992 pp. 60–62). The appearance of rap music in the eighties is brought up as a contradictory example to Peterson and Berger's predictions that major record companies would tend toward a centralized, closed system of pro-

duction, which in turn would tend to produce homogenous and standardized popular music. And from a critical guide to the literature on popular music since 1955, Taylor (1985) concludes that the image of the gigantic record company conglomerates – faceless and multinational in structure, cynically manipulating popular taste, set on the destruction of art in exchange for the dollar but always thwarted – is shown in these surveys to be a very dramatic concept. Instead, the industry is shown to be as most others with the many aspects of intricate human institutions (Taylor, 1985 p. 105).

Many different forces create conformity in the field of cultural production and consumption – not only capitalistic conditions in society, which is the view that can be discerned in Adorno’s research. While it is certainly one piece of the big puzzle, I believe it is important to recognize other forces as well, such as how cultural organizations adapt strategies and actions depending on their ideas of consumers’ preferences.

Towards the end of a book on the long-range effects of financial control for The Swedish National Theatre and its stakeholders, Östman (2006) shares some reflections regarding organizations performing whatever is met by what Bourdieu (1993, p. 127) calls “an intuitive representation of the expectations of the widest possible public.” Östman writes:

Organizations are inclined to perform whatever gets response from the most consumers. Nor are organizations indifferent to the trends that are expressed among the professional contemplators. Further, organizations are drawn towards whatever satisfies hierarchical demands, and there are mechanisms that reinforce this. (Östman, 2006, p. 411, my translation)

The previously reviewed studies have focused on links between market concentration and music content (Peterson and Berger, 1975; Burnett, 1990), specific organization of the industry and its market structure and music content (Lopes, 1992), production conditions

and consumption patterns (Adorno, 1991), and organizations' adaptations to financial requirements and notions of customers demands, often mediated by professional intermediaries (Östman, 2006).

This chapter has continued exploring the fourth research question on how values are created in interactions in the music industry, now also including a consideration of the final receivers of music – the consumers. As specified in the fifth research question, controls in music consumption are intrinsically classificatory. In conclusion, this chapter showed that the award-and-list culture has consequences in undermining of cultural capital in the popular music field while norms of authenticity and the Romantic ideal has consequences for the reproduction of gender inequalities.

The following and final chapter presents an overall concluding discussion that returns to the aim and question set out in the beginning of the book.

CONCLUDING DISCUSSION

In the three subsequent sections I will at last reconnect the study's findings with the research aim and questions;⁶⁴ relate to a scientific discourse and discuss a possible contribution in relation to some previous studies; and finally, draw some implications of a more general character.

Reconnecting to the research aim and questions

A distinctive feature of popular music production is that diverse activities are carried out in interorganizational, reciprocal exchange relationships where resources are of various sorts (i.e. financial and creative) as are rewards (economic compensation, status, prestige, etc.). Reciprocal relations are also characteristic of the exchanges between producers and consumers of music where external appreciators provide producers and performers with money and recognition in exchange for their offer of alleged musical and other experiences. An overarching issue of this dissertation was how control in relations such as these can be understood.

⁶⁴ As a guide to the reader who might be interested in going back to findings more specifically related with the separate research questions, they follow more or less chronologically. The answer to Q1 is summarized on pp. 65–68 and 95–98. A background to Q2 is presented on pp. 113–125; Q2 is addressed on pp. 127–154; Q3 on pp. 155–177; Q4 on pp. 82–95 and 177–201, which overlaps with Q5 on 187–205.

I developed a theoretical framework for control in reciprocal relations with input from my field study and the theories of Tönnies' notions of *Gemeinschaft* and *Gesellschaft* and Weber's ideal-typical rationalities for meaningful actions. A broad conceptualization of control amalgamated from these endeavors. Even though the musicians' objects of control are aesthetically bent towards creating use values, and the A&Rs' control aims are of financial character, as members of the same field both musicians and A&Rs are in possession of the same gestalt of *Gemeinschaft* and *Gesellschaft*. This gestalt makes possible not only some basic form of communication and understanding, but also the development of a vast range of control mechanisms; from informal practices to intentionally manufactured governance structures and management tools. Bourdieu was helpful in additionally refining the framework with respect to possible explanations of behaviors, according to internally deviating field-bound logic which is related to compositions and amounts of capital and differences in habitus. Economic theories of value helped suggest how the relation between use and exchange values could be understood. Taken together, sociological and economic theories assisted in reformulating and developing further a definition of control in music production and consumption which at the same time is open enough to allow explorations of control in other empirical contexts.

In what way did the analytical, ideal GG Model further help me understand the emergence of control practices in a cultural field? The figure below attempts to summarize the empirical findings of control mechanisms in popular music production and consumption.

Figure 18: Summarizing figure of control mechanisms in music production and consumption

Control mechanisms in music production	Control mechanisms in music consumption
<ul style="list-style-type: none"> ▪ Maintenance of division of labor through written and oral contracts ▪ Economic performance measurements (profitability, profit, contribution margin) ▪ Internal pep strategies ▪ External PR campaigns ▪ Commercial sociability 	<ul style="list-style-type: none"> ▪ An award-and-list culture ▪ A gender related authenticity and Romantic ideal ▪ Conventional practices
<ul style="list-style-type: none"> ▪ Pseudo-Gemeinschaft ▪ Field-bound ascriptions of legitimate and expected behaviors 	

Very briefly, in this thesis I have tried to reconcile a business economic and a critical and sociological perspective on how control of value-creating activities in the popular music field comes into being. There will be no manufacturing of consent without an original seed of conflict. Consequently, contradictory forces were the departure point for my analysis. Opposing forces are prevalent at various levels in the field of popular music. I discussed how the economic field relates to the cultural field, how corporate and individual actors relate to tensions between the sub-fields of large-scale and restricted production, and how financial and other external pressures permeate the organizational reality of each and every cooperating unit in a record production. Individuals are torn between *Gemeinschaft* and *Gesellschaft*.

In opening “the black box” of the flux or uncertainty in the music industry, two components were revealed – a process of commodification and a process of social, inter-subjective value constructions. Commodification takes place through the manufacturing and distri-

bution processes by which music's intangible values become fixed and exchangeable in the form of reproducible sound, whether that is on albums or digitally downloadable files. In this process – from signing, recording, mixing, and mastering, to the promotion and sales of the sound recording, the record company A&R has a coordinating responsibility.

Emerging responsibilities and control proved to be tightly linked to field specific roles and professional competencies. The corporate actors in my case study, whether they were from the record company or the publisher, were more active compared to the band members in the management of their reciprocal relationships. This is not surprising since the band's strategy to handle the interorganizational relation – notably financial and administrative issues – was to hire a manager. This facilitated the musicians keeping the economic logic represented by the A&Rs at the record company, and the publisher at a distance. Meanwhile a friendly relation could be kept with the corporate A&Rs since the band did not have to meet them face to face in contractual negotiations. The distribution of the created exchange values between the central producing actors was perceived as fair.

The issue of long-term financial survival was a struggle for the record company as well as for members of the band. However, for the publisher, financing dilemmas were not as prevalent as a struggle connected to individual autonomy and freedom of action in relation to the corporate structure. My conclusion is that money matters in a double sense: whether there is none or whether there is plenty, it will have an affect on the actors' possible scopes of action and on emerging practices. Yet, even though the record company was on the verge of bankruptcy at the time of the study, value rational, affective, aesthetically grounded governing logic was still strong. *Gemeinschaft* controls played a more decisive role than for example budgets.

I trust that my study has been able to improve an understanding of the *Gemeinschaft* dimensions of control which are important in the music industry where traditional control systems and methods are of little help to support the actors in their efforts to control what they believe is crucial in everyday business situations – the successful production of use and exchange values. The creation of economic and cultural wealth is entwined. Due to the difficulties in mapping out, forecasting, and evaluating the connection between use and exchange values, actors are fairly innovative and creative in finding pro-active controls. By building up an interest and applying pep strategies in internal as well as external relations, the corporate A&Rs tried to influence and increase the probability of good economic returns (exchange values). I suggested that on certain occasions, the notion of pseudo-*Gemeinschaft* most aptly described the social interactions in which control emerged. Sociability patterns oftentimes had a flavor of commerciality.

Regarding consumption controls, classification mechanisms as in lists govern what reaches consumers, and by extension, what gets produced. Further, it can be concluded that the construction of authenticity and genuineness is a clearly observable phenomenon in the music industry, with consequences in what type of artists get signed for deals with record companies and publishers. Conventional practices also hinder challenges to prevailing gender structures among both A&Rs and artists.

The authenticity ideal is a distinct feature of the A&Rs “presentation of self,” as much as it is something artists often underscore – that their music “comes straight from the heart” and that their lyrics mirror “true feelings.” Being acknowledged as an artist and a performer has a value in itself for most artists. As an artist, being able to do what you love for a living requires at least a minimum of financial rewards. The chances to stay in the business and keep on releasing records are substantially higher if your financial track record looks good. While the Romantic ideal of the suffering artist may be com-

forting enough to construct a worthy identity for some artists, others retain a sense of dignity out of the economic value they have in the market.

The valuation of material inputs and outputs (costs and revenues) as well as the valuation of the relative weight of economic versus cultural capital (assets) in the field, is effectuated through the construction of value among field participants. The determination of aesthetic values is a key activity in the cultural field. The prospect for economic proceeds is highly dependent on the field-bound legitimacy and aesthetic value given to cultural products through collective actions. Therefore I believe future studies of how control is achieved in cultural production and consumption must not overlook the processes of how certain cultural objects become legitimate, and others not.

Unlike more typical management control research, this study has been driven by an interest in governance and control on an industrial and even societal level, and therefore I have had to sacrifice the advantages of conducting a single, focused case study to my urge to understand the connections and oppositions on an aggregate level.

Relating to previous research within scientific discourses

Given my broad theoretical approach, I want to relate the study's findings to research both within and outside a management control discourse. Inspired by Seal et al. (2004), I will not make a distinction between studies that focus on intra- or interorganizational control practices.

Rather than the more traditional categories of "financial" and "management" accounting, we argue that accounting should be seen as a set of institutionalized practices that may be employed both within and between firms. (Seal et al., 2004, p. 89)

In recent years, particular interest has been paid to examining control mechanisms in the delimited societal strata of interorganizational relationships or networks. The research interest in network organizational forms has revitalized a theoretical debate on what unites, separates, and controls reciprocal relationships – if not in society, at least in the world of business (see for example Thrane, 2004; Seal et al, 2004; Dekker, 2004; Van der Meer-Kooistra and Voselman, 2000; Uzzi, 1997; Jones et al., 1997; Larson, 1992). My use of Tönniesian lenses on a chosen fraction of studies showed that prior research has been conducted basically either from Gesellschaft theoretical perspectives or from GG-dialectical theoretical perspectives. As a consequence, both questions and answers naturally deviate to certain extents between these two perspectives – but quite unexpectedly, many empirical observations and results actually converge regardless of theoretical and epistemological points of departure, particularly around the importance of social dimensions inherent in business relations. These results strongly motivated a deeper look into Bourdieu's praxeology, i.e. the combination of his methodology and theory of social action rooted in field-bound practices.

Thompson (1998) concluded, in his Bourdieu-inspired study on cultural capital and accounting, that in future studies the types of capital at stake in the power struggles in interorganizational settings will need to be empirically established. Kurunmäki (1999) developed the notions of financial and professional capital to understand power struggles in the Finnish health care sector. I followed Thompson's suggested approach in trying to understand the rules of the game of the popular music field with the help of Bourdieu's notions of field, economic and cultural capital, and habitus.

Let me give a comparative example of my findings concerning commercial sociability in relation to another piece of work that also combined a Bourdieuan perspective with financial and management control topics. In Oakes et al.'s (1998) study, one of the con-

tributions lies in how the researchers demonstrated the normalizing tendencies of business planning due to its objectification as “technical” and “neutral.” That accounting and control is portrayed as “neutral” and “normal” has been underlined in critical accounting research before (Tinker and Neimark, 1987; Adams and Harte, 1998).

The power of pedagogy [of business planning in this case] lies in its ability to name things in a way that diminishes the possibility of resistance because the process appears neutral and normal – “technical.” (Oakes et al., 1998 p. 272)

In a similar fashion, the power of commercial sociability lies in its ability to function in a way that diminishes the possibility of resistance because the process of friend-making appears normal and “authentic” while in fact it is a sort of pseudo-Gemeinschaft form of control.

The corporate friend-making practices were not always appreciated by the musicians. They expressed a wish for professionalism from the corporations, for example regarding financial management issues. One of the driving forces behind the encounter between community and business can be expressed as a longing for smoothly functioning Gesellschaft governance on behalf of the musicians, and an inclination towards Gemeinschaft management by the corporate A&Rs.

In the introductory chapter I also stated that I wished to open up to interdisciplinary scientific conversations. Previous research from the cultural and creative industries has pointed out various corporate strategies of control in the field of cultural production. An analysis at a systemic level showed how music corporations reduce risks through the royalties system of remuneration (Miège, 1987). Further, on an aggregate level of analysis, Scott (1999) concluded that majors secure niche competence through collaboration with indies. Studies that have examined control strategies in the relation

between corporations and individuals conclude that strong corporate financial governance is often combined with loose creative control at lower organizational levels (Hesmondhalgh, 2005); and in order to reduce costs and be more flexible, option contracts are typically used by record companies as well as by publishers (Caves, 2000). In relation to these aforementioned studies, my research adds with an understanding of how subtle control mechanisms work in practice.⁶⁵

Implications of general character

I believe the practices analyzed in my material may well be observed in other empirical settings, and I further believe it is possible that many of the phenomena I discuss may be extended to general trends in contemporary business life. A few things can be pointed out; the presence of *Gemeinschaft* and *Gesellschaft* and a plethora of rationalities guiding practices, the fragmentation of what constitutes a use value and an increasingly complex relationship between the creation of use values and the realization of exchange values.

On the first point, Östman (1994, pp. 31–34) concluded from a study on strategic action within the Swedish company Procordia that *Gemeinschaft* controls were widespread at the corporate governance level and that the joint workings of *Gesellschaft* and *Gemeinschaft* logic were particularly forceful. With other examples from Swedish management practice, Sjöstrand (1997, pp. 66–69) observed a type of Janusian rationality (the Janus factor) which is a type of managerial multi-rationality including not only goal-rational and instrumental reasoning, but also cognition, emotions, intuition, habits, and an aesthetic dimension. Both *Gemeinschaft*- and *Gesellschaft*-founded behaviors seem to be vivid practices of contem-

⁶⁵ Similar practices are referred to as invisible management in Sjöstrand et al. (2001).

porary business life and they further seem to be present also at other organizational levels than the ones I have examined.

Regarding the fragmentation of use values – music in itself, as a commodity, is but a part of the experienced use value for different people. There are also the live performances music gives rise to, the community it creates, the opportunities to get in touch with others, or to create an identity (whether as listeners or as an artist). With regard to the popular music field, apart from creating music, artists also construct themselves, and others construct them – critics, fans, consumers, the media. Fragmentation and intersubjective constructions of value are in no way unique for the music industry. Organizational adaptations to this reality can be discerned in today's marketing and control strategies.

One can pose the question, if music becomes a secondary matter, what is it then that exchange values can and will become tied to? Time will tell. As was discussed in the chapter on the field of popular music and the current transformation it is undergoing, the tendency to attract the masses is most likely going to be reinforced among the new powerful Internet actors, because this is what attracts advertisement income. This trend also leads to the conclusions and interpretations I put forward, notably in the chapter on control in music consumption where I express a concern with the widespread notion among organizations that their *raison d'être* should be to listen to the market or give the customers what they want. It takes courage to resist strong tendentious movements, and maybe this is especially relevant to actors and organizations in the cultural fields which are characterized by different rationalities that strive to uphold different types of values. I believe it is important that different values continue to exist, not only in the cultural field, but everywhere. It is important not only because it would be utterly boring with total standardization, but because discrimination impinges upon human rights. It is not democratic that a single group of actors, type of profession, gender, or the like – of the pop-

ulation – have a singular prerogative of interpretation over the definition of good and bad, beautiful and ugly, possible and impossible.

I have not been able to address all interesting questions that have come up during and after the completion of this study, and therefore I will leave a few of them as suggestions for future studies. What legitimate grounds for behavior will dominate in the future popular music environment? The popular music industry is still quite young and under development. In his examination of the rise of capitalism, Weber noted how the Protestant spirit was imperative in the early stage of capitalism's development, but that it was later to fade away. Weber further claimed that universal rationalization processes impinge on affective and traditional actions. Conventional practices however don't seem to be on the decline in the music industry. But a question that remains is whether affective and value rational grounds for action risk becoming suppressed in a future music business?

If the current co-existence of *Gemeinschaft* and *Gesellschaft* in society remains (such as it can be discerned in the music industry in the parallel trends of stockholder value discourse, and community-building and small-scale music creation and distribution on the Internet), the conceptualization of control in the GG Model can be a fruitful departure point for future studies.

APPENDICES

Appendix 1: List of empirical material

Interviews

- 2001-09-04 Ola Borgström, Founder, Service, formerly Fine Tone recordings
- 2001-10-05 Fredrik Wennerlund, A&R, EMI Svenska AB
- 2001-10-04 Torbjörn Andersson, Sales Manager Audio, DCM
- 2001-10-10 Stefan Andersson, Marketing Director, STIM
- 2002-06-05 Magnus Broni, music journalist, Musikbyrån SVT (Swedish public television)
- 2003-03-26 Per Helin, Senior Vice President of A&R, MNW
- 2003-06-19 Jukka Rintamäki, musician, Silverbullit
- 2003-06-19 Andreas Nilsson, musician, Silverbullit
- 2003-06-19 Jon Ölmeskog, musician, Silverbullit
- 2003-06-19 Simon Ohlsson, musician, Silverbullit
- 2003-09-29 Peter Liljander, Manager of department of settlements, SAMI
- 2003-09-29 Ulla Zethreus, Accounting department, SR, Swedish Public Radio
- 2003-09-29 Magnus Mårtensson, lawyer, IFPI
- 2003-09-30 Mats Linqvist, Controller at Member Service, STIM
- 2003-10-01 Olle Rondin, Media department, NCB
- 2003-10-23 Elisabeth Bill, Swedish Justice department
- 2003-10-28 Lars Gustavsson, CEO, IFPI Svenska AB
- 2003-11-03 Anders Jönsson, A&R and founder of Creator Music, Warner Chappell

2004-05-13 Magnus Sundberg, Accounting Manager, Universal
Music Sverige AB

Transcribed A&R interviews⁶⁶

Antony Bland, Director of A&R, American Recordings

Bruce Flohr, Senior VP, A&R, RCA Records

Joel Mark, VP, A&R, MCA Records

Max Gousse, VP, A&R, Epic Records

Michael Goldberg, A&R, Maverick Records

Luke Wood, A&R, DreamWorks Records

Tim Devine, Senior VP of A&R, Columbia Records

Tom Sarig, VP, A&R, MCA Records

Testimony of Tom Mackay, Senior VP of A&R, Universal Republic
Records, before the Copyright Royalty Judges, November 2006

Recurrent talks over the years 2001–2006

Ronald Bood, producer Bow Music & management

Tomas Kågström, record company entrepreneur

Jari Haapalainen, musician and producer

Theodor Jensen, musician

Mikael Furugärde, musician and author

Tobias Larsson, musician

Tove Leander, musician

Jenny Kai-Larsen, musician

Andreas Lindkvist, musician

Victoria Bergsman, musician

Maria Eriksson, musician

Christopher Roth, musician and record studio owner

⁶⁶ Published at

<http://www.record-labels-companies-guide.com/interviews-index.html>

Music documentaries

DIG

Bad News

More Bad News

Metallica – Some Kind of Monster

Magazines, popular music journals

Business Week, 10/13/2003

Genus, Number 2 2004

Music Business International, August 2001

Musikindustrin, May 2004

Sonic, Number 1 2000 to number 16 2004

Sonic, Number 19 Fall 2004

The Jamaica Observer, October 23, 2005

Company annual reports, shareholder prospect and web sites

Company Annual reports 2001/2002–2004 for Universal, Sony, BMG, and EMI

Prospect to the shareholders of MNW to subscribe for shares in MNW Music Network Records Group AB (including financial reports for 2002 and 2003)

STIM's annual report, 2002

www.mnw.se

www.burningheart.se

www.silence.se

<http://www.s56.com/V1/eng/news.asp>

http://www.metica.se/interviews_print.php?i_id=0057

<http://www.musicjournal.org/02artistmanagement.htm>

March 2002: "Setting up an Artist Management Company: Business, Financial and Legal Considerations"

Statistics

Statistics from IFPI Sweden on gold and platinum sales between the years 1999–2004

13 album releases listed in the Swedish magazine Musikindustrin of May 2004

Hit list over 60 most sold singles 10–16 of May 2004. Published at www.sr.se

Laws, conventions and treatises

The Swedish Copyright Act (1960:729)

UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions adopted in October, 2005

Upphovsrätten i informationssamhället – genomförande av direktiv 2001/29/EG, m.m. Ds 2003:35

The WIPO Performances and Phonograms Treaty adopted in Geneva on December 20, 1996

Contracts

Record contract between Silverbullit and MNW

Producer contract between Silverbullit and Gustavsson

Budgets

MNW Records Group, 2002 (Sweden, Norway, Denmark, Finland)

Project budget and financial outcomes for “Citizen Bird” for the period 2000-01-01–2003-03-30

Internal governance documents

Business plan for MNW Records Group, 2002

Appendix 2: Examples of interview questions (in Swedish)

Intervjufrågor skivbolag

Introducera mig själv och mitt syfte.

Be IP rita och prata utifrån bilden

Rita in aktörer i processen – organisationerna och din närmaste kontaktperson

Hur lång tid löpte projektet över?

Samarbeten och produkt- samt kundbegreppet

Hur definierar ni er produkt?

Vad är produkten – skivan, en låt eller artisten?

Hur ser man på detta?

Hur ser man på kunden?

Viktigaste kund?

Vad grundas detta på?

Vilka var dina samarbetspartners under *Citizen Bird* produktionen?

Hur såg relationerna ut?

Beskriva i termer av långsiktiga/kortsiktiga?

Hur långa?

Namn på personer?

Hur ser relationen till Silverbullit ut?

Hur är det att jobba med Silverbullit?

Kan du nämna några särskiljande drag, specifika för Silverbullit i jämförelse med andra band du har jobbat med eller jobbar med?

Hur många artister jobbar du med?

Hur långa samarbeten?

Vilande/pågående produktioner

Viktigaste band och vad grundas detta på?

Mål, måluppfyllning, mätning

Mål och strategier först specifikt för förra skivan och sedan för kommande skivan. Allmänt för företaget därefter.

Strategisk planering – får du krav uppifrån?

Hur är de formulerade?

Budgetprocessen – hur ser den ut?

Vilka är involverade?

Betydelsen av budget?

Be att få dokument!

Har Silverbullits skivkontrakt föregåtts av förhandlingar?

Vilka var involverade?

Vilka var involverade i målformuleringen beträffande Citizen bird?

Vilka var målen?

Typer av mål och målnivåer?

Kvantifierar man – hur ser balansen ut mellan finansiella och icke-finansiella mål?

Projektet: Hur sätts målnivåer och hur mäter man?

Samma frågor med avsikt på nya skivan!

A&R rollen och ansvarsområdet

Din bakgrund?

Din starkaste motivation? (Lön, bonus, annat?)

Hur ser processen ut?

Hur ser ditt ansvarsområde ut?

Din roll i olika faser i processen KARTAN (signing – PR – distribution-försäljning) – var är du mest betydelsefull?

Hur många procent av din arbetstid lade du ner på Silverbullit under *Citizen Bird* produktionen?

Är det typiskt för ett pågående projekt?

Vad avgör hur mycket tid du lägger ner?

Hur tror du att det kommer se ut i det kommande projektet?

Hur ser du på andra aktörers roller?

Din relation till aktörer – vem har du mest kontakt med?

Hur kommunicerar ni?

Styrning

Vad är styrningen fokuserad på?

Vilka är de enskilt viktigaste styrparametrarna?

Styrfilosofi?

Vem styr?

Vilket är ditt ekonomiska ansvar?

Har du bonus kopplat till detta?

Vilka incitamentsstrukturer finns på MNW?

Ansvarsområden generellt – konstnärligt och ekonomiskt – hur ser detta ut?

Vad dominerar – horisontella eller vertikala krafter?

Vem är kund?

Ägarstyrt?

Kvalitet/lönsamhet, konstnärligt/kommersiellt – resonemang kring detta?

Hur styra immateriella värden – resonemang kring detta?

Planerar eller reagerar (ad hoc)?

Intäkter och kostnader

Artistens royalties (mechanical rights) är baserad på skivförsäljning.

Men vilka kostnader dras av mot royaltyintäkterna innan de kommer artisten till godo?

Finns standard för detta eller kan det se olika ut för olika artister?

Finns det reglerat i skriftliga avtal hur det ser ut för Silverbullit i båda produktionerna?

Har du på papper eller elektroniskt som jag kan få?

Hur fastställdes förskotten i de två produktionerna?

Hur stora var beloppen?

Finns generella standards?

Finansiering

Hur ser finansiella risker ut?

Hur behandlar man dem?

Vem tar dem?

Värdering?
Immateriella tillgångar?

Utvärdering

Hur utvärderar du *Citizen Bird* projektet?
Hur har detta projekt påverkat/influerat det kommande projektet?
Vem är din chef?
Hur utvärderar han ditt arbete?

Tankar om branschens utveckling

MNWs strategier för framtiden?
Tankar om Silverbullits framtid – hur länge löper det gällande kontraktet?

Dokument

Verksamhetsbeskrivning
Planering
Kalkylering
Budget
Avräkningar
Avtal
Annat

Intervjufrågor förlag

Bakgrund, roll, vardag

Namn, befattning, kan du beskriva ditt ansvarsområde
Vem är din chef?
Hur länge har du arbetat här, vilken är din bakgrund?
Kan du ge en kort beskrivning av företaget, vilken kultur?
Vad är ett förlags viktigaste uppgift?
Vilka är era största konkurrenter?
Hur ser en typisk arbetsdag ut för dig?

Kontrakt

När signade Silverbullit förlagskontrakt med er? Vad omfattar kontraktet – kommande skivan? Gammalt material? Hur länge gäller det? Utland?

Varför ville ni signa Silverbullit?

Vad föregick ert avtal? Vem kontaktade vem?

Har Silverbullits förlagskontrakt föregåtts av förhandlingar? Vilka var involverade?

Det finns de som menar att det är onödigt att ha ett förlag om man bara säljer skivor i Sverige/Norden eftersom STIM/NCB sköter insamling och distribution av royalties. Vad säger du om det?

Vilket är ert åtagande gentemot Silverbullit? Vad är specificerat i kontraktet?

Jag hörde att Silverbullit fick ett förskott på 600 000 kr. Det är före skatt va? Betyder det att ni tar alla royalties tills dess att de 600 000 är återbetalda?

Hur fastställdes beloppet?

Hur vet STIM vem de ska betala till? Lämnar Silverbullit en fullmakt till dem? Vad händer om skivan aldrig spelar in 600 000? Blir bandet återbetalningsskyldiga? Hur tar ni då igen pengarna?

Relationer

Samarbetar ni med deras i skivbolag i några avseenden? I så fall vilka? Reglering av åtaganden etc. Andra samarbetspartners?

Hur ofta träffar du Silverbullit? Hur ser relationen till Silverbullit ut?

Hur ofta informerar ni artisterna om det arbete ni gör för dem?

Hur ofta redovisar ni den finansiella ställningen till artisterna?

Mål och strategier

Mål och strategier – hur jobbar ni med det?

Strategisk planering – får du krav uppifrån? Hur är de formulerade?

Budgetprocessen

Uppföljning

Hur sätts målnivåer och hur mäter man?
Samma frågor med avsikt på nya skivan

Styrning

Vad är styrningen fokuserad på?

Vilka är de enskilt viktigaste styrparametrarna?

Styrfilosofi?

Vem styr?

Vilket är ditt ekonomiska ansvar? Har du bonus kopplat till detta?

Vilka incitamentsstrukturer finns på Warner Chappell?

Planerar eller reagerar (ad hoc)

Tankar om branschens utveckling

Warner Chappells strategier för framtiden

Har ni blivit stämnda av någon svensk artist någon gång? Har du varit
med om detta?

Dokument

Be att få dokument!

Verksamhetsbeskrivning

Planering

Kalkylering

Budget

Avtal

Annat

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