

# The Cultural Wealth of Nations

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## The Political Economy of Cultural Wealth

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*Men of all the quarters of the globe, who have perished over the Ages, you have not lived solely to manure the earth with your ashes, so that at the end of time your posterity should be made happy by European culture. The very thought of a superior European culture is a blatant insult on the majesty of Nature.*

—J. G. Herder

THE RELATIONSHIP BETWEEN CULTURE AND THE ECONOMY—including its effects on economic development—has a long academic history and has been the subject of considerable study and debate in the past few years. We are still asking which shapes which. Is it, to use Marx's words, "the consciousness of men [sic] that determines their being" or, on the contrary, "their social being [involved in relations of production] that determines their consciousness" (Marx [1859] 1978: 4)? Does cultural wealth make economic capital accumulation more likely, or does economic accumulation provide the means for making the wealthy appear more attractive than the working classes?

We can conventionally date the start of such discussions to Weber's thesis in *The Protestant Ethic and the Spirit of Capitalism* (Weber [1905] 2002). Weber downplays the relations of production and the conflict between the propertied and the propertyless classes when he explains the rise of modern capitalism. Instead, Weber emphasizes the Calvinist ethic and worldview that led people to become dedicated to work and to engage in trade and investment. Although he is not the first to do so, Weber is credited with linking how people think about the world to how they act on its economies. Later analyses of the same ilk include the work of modernization theorists in the 1950s and 1960s (Apter 1967; Bellah 1958; Levy 1962) and arguments about how a civilization's culture accounts, or not, for its industriousness and potentially leads to the conflicts between nations (Huntington 1996). For instance, David Landes has argued that the "rise of the West" was intimately linked to the particular cultural characteristics (attitudes toward science, thrift, and

industriousness) of the societies of Western Europe. It is these cultural advantages, proposes Landes, along with a hospitable climate and a more competitive political system, that explain why there is more economic wealth in the West and more poverty elsewhere (Landes 1998). Alejandro Portes and Patricia Landolt (2000) have critiqued this line of thinking for its circular reasoning: Industrious nations are hypothesized to do industrious things. Avoiding the truism requires a close engagement with how we define culture, what its material and ideational sources are, and how culture as a predictor is not merely a restatement of the cultural, social, and economic outcomes it is presumed to cause.

Immanuel Wallerstein (1990) launches a critique against cultural universalism from the political economy perspective. Wallerstein posits that the world system has existed for centuries and that the struggles for control over scarce resources have shaped the present-day advantages and disadvantages that countries experience in the global economy. For Wallerstein, culture is camouflage: The tactic of "creating a concept of culture as the justification of the inequities of the system, as the attempt to keep them unchanging in a world which is ceaselessly threatened by change . . . therefore the very construction of culture becomes a battleground" (1990: 39). Universalist claims of cultural values and absolutes hide particularistic facts, and this occurs both globally and locally (where the particular "us" is turned into a universalistic "us" to disguise inequality). Because there is a hierarchy of states and a hierarchy within states, the ideology of universalism serves as a palliative and a deception. Wallerstein notes how such cultural arguments can be used to justify both outcomes that may result more from historical legacies as well as those resulting from current-day attitudes toward work, investment, and savings. The discourse on culture functions to "blame the victim" by assigning to the global losers a culturally generated "original sin." Thus, the development discourse wraps the world in universalistic legitimacy and then ascribes a particular position to failure in meeting universalistic criteria.

Like Wallerstein, Pierre Bourdieu (1984, 1993a) is cognizant of the power hierarchies but provides an understanding of the links between the economic and cultural at the individual level and sheds light on how understandings of what is "universally" valuable set in. Bourdieu argues that the tastes people have for different types of cultural performances and products depend on the material and social conditions of their existence. The possession of economic capital (money, assets), but mostly cultural capital (educational background

and ease with and knowledge of the higher arts), enables an individual to understand what will be generally regarded as high versus low culture, what will be worthy of widespread recognition, and what will deem disdain. But aesthetic tastes do not hover above humankind, in the intellectual stratosphere where only the chosen may travel; rather these tastes are grown during periods of struggle, and these struggles over taste happen among groups of people with accumulations of economic and cultural capital. As understandings about what is "universally" valuable set in, the struggles that made these understandings congeal are effaced.

While acknowledging the agency of the dominant in writing the rules for what is universally valuable and therefore worthy of deference from the dominated, Bourdieu also situates these struggles and the dispositions of the dominant and the dominated in fields where the varying accumulations of cultural and economic capital (along with other forms of capital) shape the dispositions that actors have for revering or politely rejecting an aesthetic form such as design styles, artworks, and musical expressions. The actors themselves are unaware that their dispositions are shaped by the objective conditions of their existence and that the accumulations of different forms and quantities of capital makes them more disposed toward some forms of culture but not others.

Not only are individuals unaware of where their tastes come from, but they are also in denial about how their tastes for particular cultural forms or their respect for a specific aesthetic might lead to economic profits. Bourdieu argues that, for individuals to profit financially from culture, they often disavow their economic motivations, even to themselves, to keep on course their performance of the desire for and protection of culture in its "authentic" form. Culture cloaks power as both the dominant and the dominated deny that their concerns for culture have economic (or even political) implications, thereby rendering the existing hierarchies of inequality more stable by making them seem to be a reflection of the natural order of things. Who should go against nature and expect to win? It is by virtue of sincere belief and taken-for-granted denials that culture may do its work.

In justifying hierarchies of inequality, Saul Bellow cavalierly remarked: "Who is the Tolstoy of the Zulus? The Proust of the Papuans? I'd be glad to read him."<sup>1</sup> Bellow implied a global division of talent akin to social Darwinism's survival of the fittest. The most common reaction to such a claim may be best referred to as cultural relativism. Such a perspective denies the possibility of an absolute scale of cultural value. There is no "best" novel (nor is the novel

necessarily the "highest" literary form). Cultures and cultural products need to be understood in their social and historical contexts. From this perspective, Jane Austen is not necessarily one of the leading depictees of the condition of female subjugation and emancipation, but a chronicler of the manners and concerns of Regency Britain. These novels are no more entitled to belong to a universal canon than the oral epic tales of Shaka Zulu's conquests.<sup>2</sup>

Interestingly, the two positions, universalism and relativism, can use the same references to argue their point. Arguing for their universal value, one side can point to the apparent global reach of Shakespeare, Mozart, and Michelangelo to defend the supremacy of a particular cultural tradition. The other perspective can similarly point to these artists and emphasize that it is no accident that they are so highly regarded because they are all representatives of the Western culture that militarily conquered and dominated the world. Had tribes from the southwest Pacific Ocean conquered and dominated the world, the argument goes, the Proust of the Papuans, in the words of Saul Bellow, would have gained more global prominence and regard than Proust (of the French) and those similarly deemed estimable.

This debate about the universality or relativity of culture is important for the discussions of the cultural wealth of nations. How should one judge the relative cultural wealth of parts of the world and its origins? Can we speak of a cultural wealth begetting economic development, or is it more accurate to say that the worth of culture is, at least partly, determined by the amount of money and gunboats behind it?

A critical first step in resolving this debate without falling into an ideological abyss is to make the phenomena as concrete as possible. For the purposes of this chapter, let's define *cultural wealth* as the value added derived from the intangible qualities of products and services emanating in part from the perceived cultural heritage of the people engaged in their production. To what extent is the market value of a cultural item simply a reflection of the political and economic position of the place from which it originates? Conversely, can local cultural products from less powerful nations achieve some success in the global cultural market and then reflect some of this glory on their national origins, thereby making it arguably easier for the next cultural export from their country? Similarly, global disdain for particular cultures can make it extremely difficult for its products in the marketplace even if their designs and production techniques closely resemble those of products from elsewhere that command higher prices and that enjoy widespread recognition as valuable

(Wherry 2007). This leads us to ask about the historical conditions in which products find themselves esteemed and why this esteem is conferred in some time periods but not others (although the products have existed across time).

It is vital to understand that such a series of questions goes beyond the simple issue of "Americanization" or commoditization of global culture, as the advocates of cultural imperialism propose. Nor is this an argument for hybridity (Pieterse 1994) and the "localization" of the global (Ritzer 2003). What we need to understand is the relationship between the "value" of culture or cultural artifacts and a position in a global "world-system" (loosely understood). In short, what is the relationship between global political economy and global cultural wealth? While our ambition is not to provide a definite answer to this question, we want to motivate such an inquiry for future research by posing parallel questions, such as: Is there a global class system? Is there a global "cultural" class system? How does it manifest itself? We take up these questions by scrutinizing, first, the hierarchies in global cultural production and, second, in global tourism.

### The Culture of Global Class

Is there a global class system? By class system we mean three things. First, does the distribution of global wealth demonstrate dramatic gulfs between regions, and does this level of inequality merit the label of a "class system," whatever the mechanisms of its creation and maintenance? Second, does a nation-state's position within the global hierarchy of cultural wealth enable or disable potential sources of income? That is, does the nation-state's position in the global pyramid determine access to cultural production capacities? Third, does one's position in the global hierarchy help define expected cultural consumption patterns?

As to the first, there is little doubt that the world is divided between regional haves and have-nots. Ignoring for the moment internal distributions of income, the group of richest nations representing roughly one-sixth of the world's population currently produce and consume three-fourths of global production (Figure 1.1). At the very top we have the twenty-five wealthiest economies, which consist almost exclusively of countries in northwest Europe and its predominantly white colonial offshoots in North America and Oceania. The global wealth hierarchy is even more skewed. One estimate is that North America accounts for 34 percent of the world's wealth, Europe 30 percent, the Asia-Pacific region 24 percent, and the rest of the world

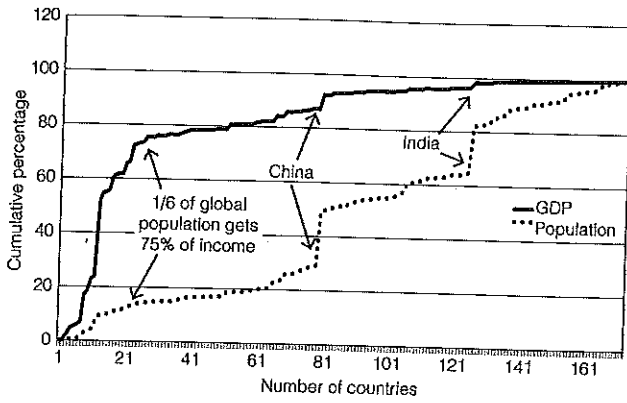


Figure 1.1 Global income distribution (by country).  
SOURCE: World Bank (2007).

12 percent. The top five countries (the United States, Japan, Germany, Italy, and the United Kingdom) account for two-thirds of the world's wealthiest individuals (Davies et al. 2006). Even more striking than differences between nation-states is the (estimated) ethnic and racial distribution of global plenty as shown in Figure 1.2. The global poorest consist overwhelmingly of Africans and South Asians, while the vast majority of the global rich are of European descent (Dikhanov 2005).

Similar distinctions among the different parts of the world may be observed in less precise measures such as the implicit value of an individual human life. Note that the accidental death of a group of European descendants somewhere in the globe will merit much more global media attention than the equivalent number of Africans or Asians. For example, Google counts comparing coverage of the lost Air France jet in route to Paris and a Yemenia flight that crashed in Comoros within days of each other indicate that immediately after the crash the Air France flight disaster received at least four times the news coverage of the Yemenia one. News from places such as Bangladesh or the Philippines appears to be merited only if more than a hundred people die in particularly tragic circumstances. It seems unimaginable that the news media would pay scant attention to 2 million violent deaths occurring over a decade in Europe or North America, yet the news hardly

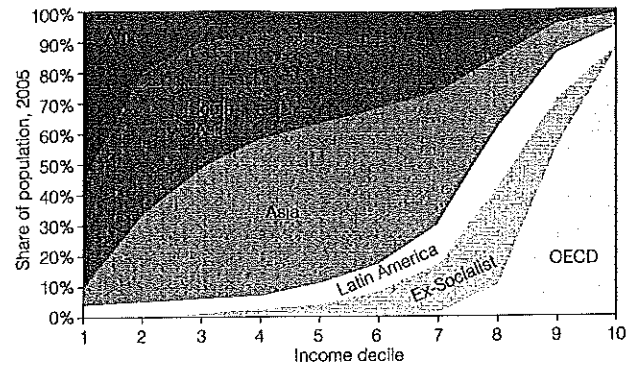


Figure 1.2 Global income distribution (by region).  
SOURCE: Dikhanov (2005).

considered this magnitude of violent death remarkable for the eastern Congo. Similar distinctions would appear to apply to the application of human rights in different parts of the world. Take, for example, this fictional interchange from *Our Man in Havana* between the protagonist Wormold and the Batista-era police captain:

"Did you torture him?"

Captain Segura laughed. "No. He doesn't belong to the torturable class."

"I didn't know there were class-distinctions in torture."

"Dear Mr Wormold, surely you realize there are people who expect to be tortured and others who would be outraged by the idea. One never tortures except by a kind of mutual agreement." (Greene [1958] 1970: 164)

It would appear that the world remains divided, in the words of Graham Greene's Captain Segura, between "the torturable" and "the nontorturable." In other words, people from different parts of the world obtain different types of status, according some with more rights but others with more obligations, making some of them more remarkable, more easily seen, and more worthy of emulation. These differences in status have material and bodily consequences.

The major question is whether this inequity is autoreplicating and durable (Tilly 1999). Does position in the global order shape the economic

opportunities of these societies? The notion of the “new international division of labor,” a result of the global industrial shift whereby, in search of low cost, manufacturing is relocated from the developed Western countries to developing countries in Asia and Latin America, is explicitly predicated on some workers receiving significantly less pay than others and receiving less governmental environmental and safety protection (Centeno and Cohen 2010; Frobel, Heinrichs, and Kreye 1980; Gereffi and Korzeniewicz 1994). The global South–North migration is another manifestation of such distinctions: Citizenship in a privileged northern country can practically assure that many of life’s disagreeable tasks will be done by those with less coveted national identities, emigrating from the South; therefore, one could argue that there is a substantial premium for already being wealthy, leading the hierarchy of cultural production to resemble the global economic hierarchy.

Possessing economic wealth makes generating cultural wealth more likely, and cultural wealth itself acts as a resource from attracting and generating economic wealth; yet the creation of cultural wealth is not a straightforward process. Studies of cultural imperialism suggest that the dominant class consciously and deliberately marshals its ideological and cultural resources (including its instruments of physical and symbolic violence) to maintain its dominant positions within its own nation-states and across entire regions of the world; however, some forms of symbolic domination result from institutionalized practices and/or historical accident. Paying attention to these practices, historical contingencies, and the agency of cultural entrepreneurs who use collective narratives and symbols to move up in the global hierarchy helps us understand how imperialistic control can be weakened or (with good timing) overcome.

The struggles for dominance in different aesthetic, political, and market fields have gone on for centuries and become submerged in present-day evaluations of cultural works. The supposed universalism of the “flat” global marketplace hides within it an implicit and deterministic Western bias. It may be true that “anyone can enjoy” a Coca-Cola or *The Magic Flute* and that such products somehow tap into a thoroughly cultural appreciation within all of humankind; yet, functionalist arguments notwithstanding (“It’s not imperialistic, it is simply the best”), the global hierarchy of cultural value is a product of historical forces that may have little to do with the intrinsic value of objects. The consequences of this go beyond the definitions of the canon for Literature 101 and help define the paths to development of many societies.

### Geographical Hierarchy in Cultural Production

A society’s pathway to development is related to its stocks of world heritage, and these stocks are unevenly distributed across the globe. The U.N. agency’s program for the preservation of “World Heritage Sites,” as Figure 1.3 pointedly shows, leaves no doubt as to where the “world heritage” seems to be located. Over half of the nearly 1,000 sites currently protected by UNESCO may be found in Europe or North America, while only seventy-six sites are located in Africa. Perhaps more tellingly, while nearly 90 percent of the European and North American sites are human-made (and thus “cultural”), a third of those outside these regions are “natural” (more indicative of geological luck than any cultural value). A glance at the interactive map provided by UNESCO makes the global distribution of heritage value quite clear.<sup>3</sup>

It may appear that this West-centric recognition of cultural value across the globe results from a powerful elite faction using their own standards of

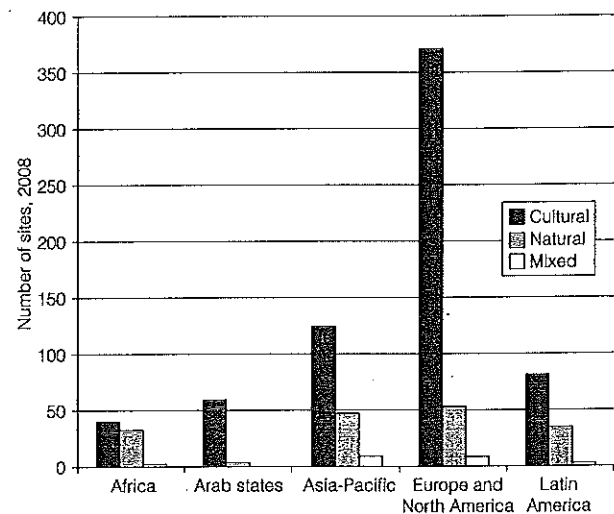


Figure 1.3 World Heritage Sites (by region).  
SOURCE: UNESCO (2011).

culture to dominate the cultural symbols of the subaltern, as per cultural imperialism theory. However, as Alexandra Kowalski (Chapter 3 in this volume) demonstrates, the cultural and natural understandings of World Heritage emerged among separate organizational clusters and grew in parallel over an eight-year period before being merged into the World Heritage system we now know and thus result more from institutionalized practice than elite intentions. Just as Kowalski demonstrates how historically contingent the construction of the World Heritage system was, she suggests that changing such a system would require the participation of a large number of actors and institutions and would likely have outcomes that its reformers do not intend. Still, in their effort to protect and conserve places recognized as having universal value, the architects of the World Heritage system have made visible and public at the international level how cultural wealth is distributed globally.

Similar geographical inequities may be found in any supposed repository of global knowledge or culture. Whether in lists of "100 Best" art pieces (films, books, paintings) or in more scholarly enterprises, the Eurocentric bias of global cultural hierarchies has survived decades of assault with remarkable aplomb. Of perhaps greater concern for students of development, we may find a similar hierarchy in a broad array of consumables. On the higher value end, the countries who enjoy a reputation for fashion or industrial design are not only few but also concentrated among the cultural "usual suspects." French high fashion, Japanese technology, Swedish industrial design, or British aristocratic styles are universally recognizable. Arguably, the economy that has enjoyed the most privileged position in this regard is Italy, whose reputation in all areas of design has survived many a manufacturing disaster. Let us not forget that reputations are not merely about "bragging rights" but that they help determine the commercial possibilities available to a society. Products from countries with high reputations enter the cultural wealth market more easily and are sold with much greater ease.

This is evidenced in the lists of top global brands, which shows a strong domination by the United States and Europe. Global brands, such as Coca-Cola, Google, Nokia, and Toyota, are trademarks that, in and of themselves, establish the value of a product and allow sellers to command relatively high prices. As Figure 1.4 shows, of the 100 global brands measured by Interbrand for *Business Week* magazine in 2010, fifty originate in the United States, forty come from the West European countries, eight from Japan, two

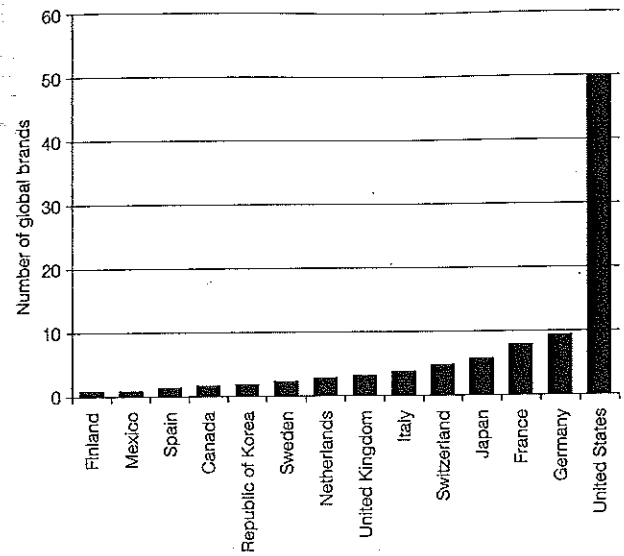


Figure 1.4 Global distribution of brands (2010).

SOURCE: Interbrand (2010).

from South Korea, and one (Corona) from Mexico (Interbrand 2010). Only three of 100 top global brands come from non-Western countries (excluding Japan).

Consider the advantages that such domination provides for export-oriented industries. The fact that global manufacturing exports remain dominated by these same countries may have a great deal to do with the real added value of these country's products but also with the countries' much more amorphous reputations. Indeed, such domination is quite apparent in export sectors where one might expect that reputational effects would be highest. Global trade in areas such as medicines, perfume, musical instruments, and art, for example, is characterized by the dominance of developed countries accounting for roughly 90 percent of the global volume (Figure 1.5). In a time period with greater standardization of production processes and more means

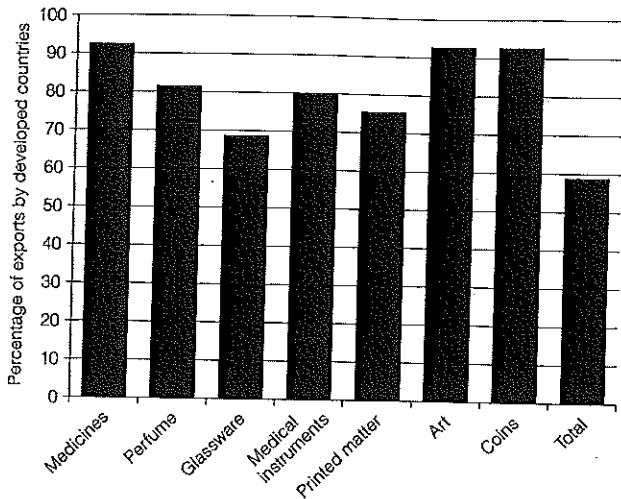


Figure 1.5 Distribution of prestige exports (2007).  
source: Elaborated from Comtrade (2011)

to verify quality, it would seem that the country of origin should matter less for the production of many of these goods. On the other hand, it could be argued that there is a cumulative advantage to producing goods where they have long been produced because the expertise is there along with the appropriate suppliers and downstream production services. However, this line of argument does not address why these places became primary production sites in the first place and why other potential production sites find it so difficult to capture more market share.

We can see a similar pattern if we analyze the composition in the world trade of cocoa (a raw commodity) and the chocolate produced from it. Cocoa and chocolate can serve as a good test case: The origin of the former is fairly irrelevant, while that of the latter can account for a surprising amount of its value, as the literature on global value chains substantiates. Just imagine the reputation and thus appeal of Belgian chocolate versus chocolates from Burkina Faso, for instance. Indeed, developed countries account for more

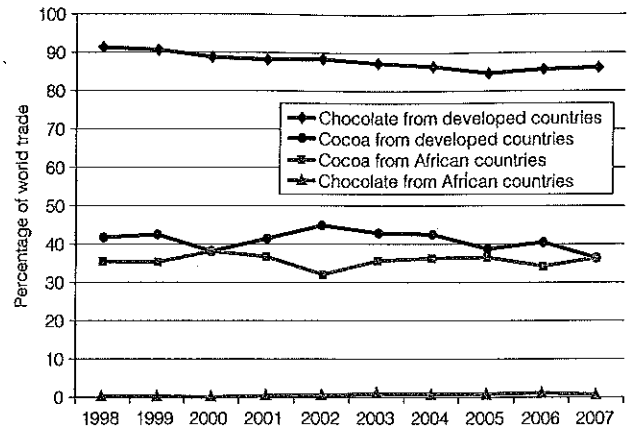


Figure 1.6 Distribution of global chocolate trade (2007).  
source: Elaborated from Comtrade (2011)

than 85 percent of global trade in chocolates but only about a third of that in cocoa (and much of that is actually a reshipment of imported goods). African countries, on the other hand, account for about a third of all cocoa exports but a minuscule share of chocolate sales (Figure 1.6). A similar pattern characterizes global commerce in tobacco. Developed countries account for roughly 20 percent of global trade in tobacco but 65 percent of the trade in cigarettes. For the developing world, the ratio is reversed. In both of these cases, the very significant value-added premium that comes from processing the raw material and then packaging and marketing the finished product tends to be concentrated in the already wealthy countries.

How about recent developments in creating and selling authentically "Third World" products (often under the banner of social justice)? Do they undermine the apparently rigid global hierarchy? Based on the data of fair trade products sales, these (still) have only a marginal effect. According to the World Trade Organization (WTO), the 2008 sales of fair trade products, while growing significantly from the previous year, amounted to a meager US\$4 billion compared to world merchandise exports, which were valued at



US\$10 trillion in 2005 (WTO 2010). Many efforts at promoting Third World products still betray underlying assumptions. The category of "world music," for example, may be a valuable addition through which greater variety is made available to consumers, but it retains an almost colonial air of cultural segregation.

Indeed, media imperialism scholars have argued that the United States lies at the core of the design and production of popular culture items such as music, movies, and TV (for review see Crane 2002). For example, the various *Crime Scene Investigation (CSI)* programs are syndicated to 200 markets, making *CSI* the most watched drama show in the world in 2010 (TV by the Numbers 2010). Even when noncore countries are not purchasing the actual product, they nonetheless are influenced by the product's concepts. Copies of shows such as *Survivor* or *Who Wants to Be a Millionaire* or *American Idol* become replicated across the world, seemingly with only an inflection of the local.<sup>4</sup> A notable exception in cultural production, especially in movies, is India, pronounced as the most prolific movie-making country in 2005, with more than 1,000 feature films produced in that year, compared to 700 in the United States. However, the top ten grossing films in 2005 were all English-language films, earning almost \$6 billion, with \$3.5 billion coming from non-U.S. audiences (*Screen Digest* 2006).

This media domination partly reflects the deep hegemony of European languages (and English in particular). There are exceptions, such as the "national" languages of Hindi and Mandarin, but in general if two people from different cultures meet, they are most likely to converse in a European language they have both learned in school. This gives these languages (and again especially English) and their cultural products a remarkable advantage as they can be treated as "universal" or "value neutral" when in fact they very much represent a particular geopolitical time and space.

Even when they are in the background, these languages dominate. The flow of translations, for example, indicates the overwhelming centrality of works in English in the network of global literature. Literature originally published in English and French (whether now published in Bengali or Finnish) helps to define the very notion of literary merit. The Bengali or Finnish authors meeting at PEN seminar in Dakar may celebrate their global cosmopolitanism through their shared reading histories. Will they notice that these largely exclude the books of the other and largely consist of translations of the "classics"?

Because English-language books are at the center of the global production, Johan Heilbron examines the structure of English translations that make books from other cultural backgrounds more widely available to the English-speaking and book-prize-conferring public. Heilbron depicts book translations as belonging to an international system of linked producers and consumers with contexts of production and contexts of reception amenable to sociological investigation. He writes: "Instead of conceiving the cultural realm as merely derivative of global economic structures, it is more fruitful to view transnational cultural exchange as a relatively autonomous sphere, as an arena with economic, political, and symbolic dimensions" (Heilbron 1999: 432). There is a hierarchy with a core, a semiperiphery, and a periphery. Language groups can move between positions over time; however, it is a long-term process. One need only think of the rise of the English language and the decline of the French as a case in point. Different language groups occupy various positions within a structured hierarchy. Their structural position of the language group may be territorially tied to a specific country, or it may transcend national boundaries. English, Spanish, and French, for example, stretch across vast territories. The power of the language groups to reproduce themselves through book translations rests on the inequality in the resonance of these languages and what they represent within the cultural world system.

The politicoeconomic domination by European languages and cultures is made manifest in higher education. While many American students may study abroad for a semester or two in order to improve language skills or simply "encounter the other," flows of students to the United States are much more significant (Figure 1.7). It appears that to study in the United States (and less so, in Europe) is to achieve a special legitimacy. One indication of this is the overwhelming representation of graduates of American universities in the government cabinets of many Latin American, African, East European, and Asian countries. This diffusion of knowledge boosts America's reputation in the global hierarchy.

#### Global Tourism: Bells, Beaches, Bars, and Nation Branding

A global hierarchy also seems to define the tourism industry, which deserves special attention because, according to the U.N. World Tourism Organization, tourism expenditures amounted to US\$ 946 billion in 2008 with 920,000,000 international tourists on the move that year (World Tourism Organization 2010).<sup>5</sup>

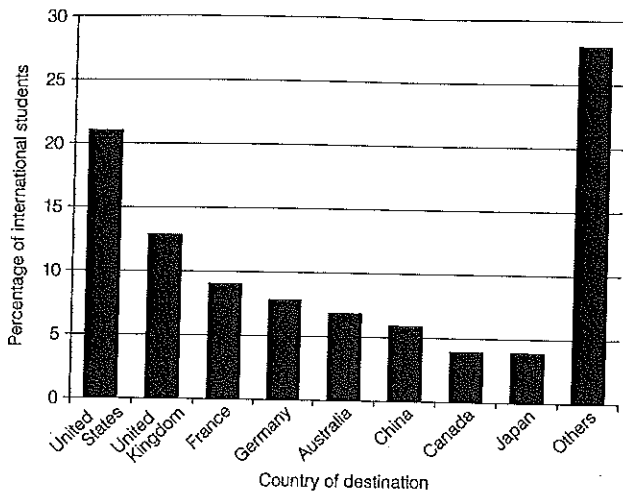


Figure 1.7 Distribution of study abroad (2008).  
 source: Institute of International Education (2009)

A look at a simple distribution of world travelers reveals that the developed countries remain the leading destinations for holiday travel (Figure 1.8). Latin America (excluding Mexico), Africa, and South Asia receive a small fraction of tourists and their dollars (roughly 10 percent of the respective global totals). Leading tourist destinations include France, Spain, the United States, China, Italy, and the United Kingdom. International passenger revenue in the United States came across the Atlantic (46 percent, overwhelmingly from Europe), from Latin America (25 percent), and from Asia and Oceania (29 percent). In Europe, international revenue came from North America (35 percent), from other parts of the continent (25 percent), from South America (6 percent), from Asia (21 percent), and from the Middle East and Africa (12.5 percent). In Latin America, intraregional revenue for passengers accounted for 34 percent of the total, while 40 percent came from North America and 20 percent from Europe.

A distinction should also be made between the volume of international tourists flying to different regions of the world and the kinds of those tourists.

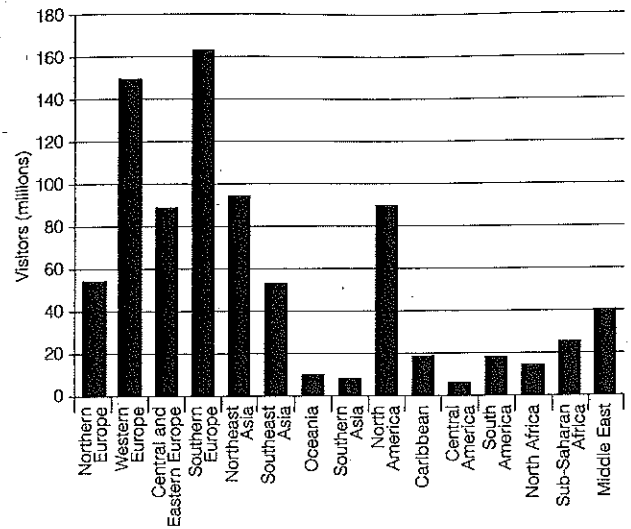


Figure 1.8 Distribution of tourism by region (2008).  
 source: U.N. World Tourism Organization (2011).

Here we refer to three type of tourism associated with the various parts of the world: bells, beaches, and bars. By "bells" we mean cultural tourism (and cultural heritage sites). Tourists enter cathedrals with their clanging bells and visit museums that their peers consider "must-see" sights. The "beaches" designation refers to the seaside and natural attractions known for rest, relaxation, and/or debauchery. By "bars" we recognize that some "party places" will be by the seaside (an intermingling of a beach and bar form of tourism), but other sites of interests will derive their value solely from the entertainment industries they provide. Evidence would indicate that the developmental effects of the beaches and bars tourism are not as significant as the bells kind. Thus, a challenge for countries trying to leverage their economic wealth from global tourism is to market themselves as "bells" destinations. In the next section, we consider Thailand's efforts in this direction.

### Rebranding a Country's Image: The Case of Thailand

Attracting wealthier tourists willing to purchase local products and staying in domestically owned hotels generates significantly more revenue than receiving young visitors who stay at international chains or hostels and whose only interest in local products may be of the illegal (or the "low-brow") sort. One need only look at Thailand's efforts to move away from the bars (images of brothels and debauchery) and toward bells (highlighting its temples and cultural resources) and upscale beaches, signaled by the descriptions of spas and tree-house luxury hotels being depicted in *The New York Times*.

As the U.S. military established bases in Thailand during the conflicts in Vietnam and in Indochina, Thailand's reputation flourished as a perfect getaway for rest, relaxation, and commercial sex. Indeed, the U.S. military treaty with Thailand designated it as an official site for U.S. soldiers to enjoy "rest and recreation" in the 1960s and 1970s (Enloe 1989; Nuttavuthisit 2007; Truong 1990). When these soldiers returned home, they carried with them fantastic tales of the beaches of Pattaya and the brothels of Bangkok mixed with the wonders of temples, palaces, and exotic marketplaces. Therefore, it should come as no surprise that the majority of tourists to Thailand are single men or that weekend flights from more repressive countries such as Singapore are full of men taking a weekend escape to Bangkok, some dressed in their designer jeans and tightly fitting tops, wheeling a carry-on sufficient for the task at hand. The nightlife does not equal commercial sex, but the trade is such that newspaper editorials have lamented that Thailand gets too much press for sex and nightlife but not enough for its history, food, temples, culture, and natural beauty.

According to marketing specialist Krittinee Nuttavuthisit, working on the Branding Thailand Project,<sup>6</sup> the commercial sex trade has emerged as a blot on the nation's image in recent consumer surveys. Nuttavuthisit (2007) highlights some of these negative perceptions based on thirty in-depth interviews in the United States and on 120 online surveys. Some of the online questions include "What are the first words that come to mind when thinking of Thailand?" and "Which three words describe Thai products?" Among the responses to these queries, commercial sex work, the poor, and poverty stood on the negative side of the ledger, and the exoticism of the country as well as the friendliness of its people stood on the positive side. Nuttavuthisit argues that people who have never been to Thailand had bad impressions of the

country based on television programs and magazine articles about Thailand's commercial sex trade and child prostitution. The Thai government's survey of registered sex workers numbered nearly 74,000 persons, but NGO estimates place the number at 300,000 in the 2009 Human Rights Report of the United States Department of State (U.S. Department of State 2009). With reports in *The Economist* stating "throw a stone in Bangkok, and the chances are you will hit a gambler or a brothel goer" ("Bookies and Pimps," 2003), as well as depictions of the sex industry in a Christina Aguilera music video and in the movie "Bridget Jones: The Edge of Reason" (Nuttavuthisit 2007), such negative perceptions present themselves as easily recognizable and quickly associated characteristics of Thailand. The *Longman Dictionary of English Language and Culture* (1993) once referred to Bangkok as "The capital of Thailand, a place often associated with prostitution" (Nuttavuthisit 2007: 25).

It is difficult to rebrand a country when the authors of the new message about what Thailand has to offer have to contend with other legitimate sources of information that offer contradictory messages (see Rivera, Chapter 5 in this volume), yet there are material and cultural reasons why the Thais want to rebrand their country. The government expects higher tourist revenues to come from the types of travelers who want to stay in luxury hotels, visit temples, and look for high-end fashion and furniture. Nearly a tenth of the country's labor force works in the travel and tourism sector, which generates up to 7 percent of the country's gross domestic product (GDP), exceeds all other sectors in export earnings and represents the largest contribution to GDP compared with other countries in the region. These material considerations aside, the Thais have an emotional attachment to their homeland (as most people do) and do not want their innocent daughters presumed lacking in moral propriety or the "value" of their entertainment and tourism sites limited to beer halls, beaches, and brothels. The Thais also want to be recognized as having universally valuable cultural contributions because they are human beings whose dignity compels them to decry being debased.

This highlights the limits of understanding nation branding as simply strategic action of impression manipulation. Symbols representing Thailand or any other country cannot be utilized in any way that marketers please. According to Jeffrey Alexander and Philip Smith (1993), meaningful symbols have autonomous power in spurring action as well as in imposing limits on it. Hence, even if a country such as Thailand could specialize in being an entertainment venue of bars, beaches, and brothels and could profit mightily

from it, it is likely that political coalitions would mobilize against such an economic specialization and that many of the members of the coalition would not have an economic stake in the effort.

The challenge of other developing countries is not to re-create their international reputations but to initially position themselves on the map of global tourist destinations, to find their tourist niche, by nationwide impression management campaigns featured in the global press and via international marketing. One such country is Slovenia, which has pronounced tourism to be one of its most important economic areas for development.

*Positioning a Country on the Global Tourism Map: The Case of Slovenia*

In the strategy for Slovenia's national economic development written in 2001 as part of the country's accession efforts to the European Union (EU), tourism development has been identified as a strategic development direction, although the country has been receiving only about 0.3 percent of European tourists. Observers have long lamented that this is due to the low recognition of the country in the eyes of the world. Indeed, Slovenia is a rather young state, established in 1991 after the fall of communism and the breakup of the former Yugoslavia that has never before in history had state sovereignty. Moreover, its name makes it easily confused with Slovakia (the republic of former Czechoslovakia) and Slavonia (the region in former Yugoslavia). Its national flag is almost identical to the Slovakian one, except of the details of the coat of arms, and features stripes of red, blue, and white, which are very common on many of the European flags.

However, systematic efforts to increase the country's visibility on a global map and to market it as a tourist destination to the global, not only regional, audiences began after the country acceded to the European Union and was preparing for the EU presidency, beginning in January 2008. As part of these efforts, in the spring of 2005, the government established a state agency, the Sector for Promotion and International Cooperation, under the auspices of the Ministry of Culture of the Republic of Slovenia and charged the Slovenian Tourist Office (STO) with a creation of a crucial marketing tool—a CNN spot to be viewed by global travelers.

But what makes for a representation of a country in thirty seconds? What is its "essence"? Or better yet, what kind of an "essence" would be attractive to a global citizen? The actual spot featured mostly the natural beauties of the country, including the sea, the vineyards, Lipizzaner horses, fields, rivers, the

karst caves, and mountains, interspersed with images of outdoor activities like sailing, horseback riding, golfing, and skiing. In light of our bells/beaches/bars typology, these images were appealing to the beaches/nature type of tourism. However, there were also some appeals to the architecture and arts of the capital city of Ljubljana and the medieval coastal city of Piran, clearly suggesting that the country possesses some bells as well. Indeed, the spot was criticized for trying to portray too much, going after bells, beaches, and bars all at once, under the slogan "Slovenia—Diversity to Discover." The spot was also changed in the last minute because the Minister of Foreign Affairs found the image displayed at the end of the spot (four little flowers that used to be the logo of the STO) inappropriate as a symbol representing a country.

After the CNN spot aired, and considering the controversy it generated, the government officials in July 2006 decided it was time to yet again rebrand the country's image, to find a new logo and a new slogan, to increase the country's recognizability. This time they considered a public call for proposals to be the most democratic and effective way of finding the country's essence. Many entries arrived for this public competition and the chosen slogan was *I Feel Slovenia*, with the segment *love* in *S-love-nia* written in bold, as in "I Feel Love." The creators of the slogan explained: "We borrowed the slogan I Feel Love from pop music, because it is widely recognizable and popularized across the globe. It is known all over the world . . . Thanks to Donna Summer, the slogan is so simple that it needs no explanation, and speaks for itself. That was the intention" (reported in Hočevár 2006). Yet again, the public and the professional design community issued public protests with the content and the selection process, calling the selected slogan "pathetic" and "ad hoc" (Marn 2006), but *I Feel Slovenia* was accepted as an official slogan by the National Assembly at a special session in 2007. It remains to be seen what the effects will be of this slogan on Slovenia's recognizability in the world. But as a commentator at a recent public discussion on Slovenian National Television about strategies to increase recognizability of Slovenian brands suggested, it is probably not wise to revamp a country's image every few years (Tajnikar 2010).

In brief, the cases of Thailand and Slovenia show that whether it is to re-create the existing impressions of global tourists or to create new ones that attract, these countries, as any other world's country in the contemporary world culture (Meyer et al. 1997), engage in nation branding. The process can be

understood by applying Goffman's (1959) dramaturgy and impression management at the country level. One country's cultural and symbolic resources are multivocal and therefore can be appropriated variously by the internal and external audiences. There are also front stage and back stage impressions. The impression management teams employed by countries (and often coming from international advertising agencies) are charged with striking a tenuous balance between local "authenticity" and global "recognizability" and with instilling confidence in the chosen country representations. The domestic and international audiences react to these marketing efforts because of their own convictions of what is appropriate and right about a country's culture, not always with economic stakes in mind. Therefore, even if these impression management efforts may seem very strategic, we find that nation branding may be best understood as a social performance, elevating meaning, rituals, and symbols as explanations for action, rather than strategic action of impressions manipulation.

The attempts to negotiate place are not merely concerns with status position but also a keen (though sometimes unrecognized) effort to establish the character of place and the externally recognizable qualities of a nation's people. The portrayal of market actors as using symbols strategically for status display or to maintain dominance ignores the importance of symbols and meanings for motivating action and for making sense of why a country should be proud that it is known for how well its people make a particular product, develop particular forms of designs, or continue to provide access to artworks and places that are universally valued (for example, Alexander 2003; Wherry 2008b).

Still, in the spirit of our political economy of cultural wealth discussion, it is undeniable that countries are engaging in such social performances and positioning themselves not on a flat global map but within a global hierarchy, recognizing that there are places below, at, and above them in status. The impression management efforts of countries are attempts at finding a global tourist niche as they are efforts to negotiate their own "place" in the hierarchy vis-à-vis other places.

#### Conclusion

In *Rise of the Creative Class* (2002), Richard Florida presents reams of data marking the new geography of creativity, well-being, and wealth in cities and

regions of the United States. Similarly, we have presented the geographic distributions of cultural production and tourism flows around the world. We have argued that some world regions and countries beget economic benefits as a consequence of having creative and cultural attributes. The existence of UNESCO's World Heritage List implies that nation-states possess particular sites of universal value in terms of their cultural or their natural heritage, yet scrutinizing the origins of cultural and natural heritage sites included in UNESCO's list reveals a great inequality in the distribution of these sites with core countries richly blessed in cultural heritage but all countries (core and peripherally) nearly equal in their endowments of natural heritage.

Evidence from the geographical distribution of the world's top brands, the export of high value-added commodities, and the global tourist destinations that we presented in this chapter point to significant Western dominance and mark the global hierarchy of cultural wealth. Is this hierarchy attesting to cultural imperialism? Moreover, is it epiphenomenal to real material divisions in the world-system in which the core powerful states exert their influence over the poor peripheral countries?

The purpose of the present chapter was not to provide definite answers to these questions but rather to map the geographical distribution in production and consumption of (some) cultural goods to motivate the inquiry into the origins and consequences of the cultural wealth of nations. Nevertheless, we want to provide some concluding remarks to suggest a corrective to the political economy of the cultural wealth of nations that takes inequality across countries as support for cultural imperialism and gives causal priority to the material conditions of life.

We think it overstated to assert that the distribution trends we presented result from the imperialism of the dominant Western view, as we lack evidence of elite intentions behind these efforts. Rather, in our view, the cultural world-system constitutes a historically situated life of things, places, and ideas, and the biography of commodities (Kopytoff 1986) circulating within it manifest regenerating life cycles along with reincarnations of the dead. This cultural system is solidified through institutional practices that rely on a delicate balance between the cultivation of culture and the commodification of symbols representing that culture. From this standpoint, collective emotions, meaningful narratives, and the accomplishment of meaning through marketing and consumption are not dismissed as secondary to the

"real action" of material exchange but are central to understanding how the material realities, and inequalities, of the global marketplace durably regenerate themselves over time (Alexander 2003). The task of the inquiry into the cultural wealth of nations rests on scrutinizing how social actors from particular places collectively accomplish social performances in producing cultural wealth with an eye toward how nations can move up in the hierarchy of cultural wealth.

## 2

### Bringing Together the Ideas of Adam Smith and Pierre Bourdieu

Richard Swedberg

ECONOMIC SOCIOLOGY, GENERALLY SPEAKING, lacks a growth theory; and economics has a growth theory that is much too narrow for its task. Economic sociologists, apart from Marx, never seem to have been very interested in investigating what causes the growth of the economy, but much more in showing—against the economists—that social factors affect the way that the economy works. Economists, in their turn, have operated with such a limited view of what makes people and society act the way they do that they have failed to develop an effective growth theory. We still do not understand why certain nations take off, and others do not, according to someone like Paul Krugman (2004).

An inquiry into the cultural wealth of nations seems a fruitful step in this direction. But what exactly does the expression of "the cultural wealth of nations" mean? I think that one can answer this question in several ways. The answer I have chosen to settle on is that it points, following Adam Smith, to a theory that has as its goal to explain "the wealth of nations." And it does so, I also would argue, following Bourdieu, by looking not only at traditional economic factors but also at social and cultural ones.

This chapter rescues Adam Smith's discussion of economic growth from the one-dimensional depictions of economic self-interest and the invisible hand to demonstrate that Smith took into account the different moral judgments of buyers and recognized that a firm had to understand how generalized others characterize the firm's attributes. The chapters in this volume detail the symbolic, nonmaterial attributes encasing a firm's commodities, and this particular chapter argues that attending to the symbolic and moral dimensions of commodities is a sensible extension of Adam Smith's thought.