

WHAT CULTURE IS AND WHY IT SHOULDN'T BE SUBSIDISED

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To talk of "Culture" is a mistake. It is a category mistake.¹ All too often, culture is discussed as if it were a physical entity, a thing with which one can isolate, examine and analyse, apart from the rest of the world. Culture is seen as like a wine, being drunk by us all, its merits and demerits hotly debated. Culture *does not exist*. It is not a *thing*. Culture is not an object that can be pinned down and stuck in an album. It cannot be observed. We *can* observe the particular *acts* of individual people, but not culture.

Culture is like temper; it is not a particular act. It is not an action to be *quick-tempered* or *laid-back*. Statements about an individual's personality are inferences from a history of actions. To *be cultural* is not an act in itself, but a way of committing other acts. The act "*he hit me*" may become part of the body of acts that are referred to when one says "*he was angry*". This in turn is evidence that will underpin the statement "*he is quick-tempered*". The same evidence may also be part of the case for other statements about that individual. There is no physical limit to how many inferences may depend on one act.

All these adjectives of personality indicate *tendencies to act* in particular ways rather than referring to actions themselves. When we discuss culture we are dealing with an abstraction from the complex mass of individual actions. We are examining regularities within the overall order of events. We must not confuse the abstraction with the actual actions and events that underlie it. They *are* different. Culture forms a similar category of abstractions to those we use to describe personality. When we are examining culture

we are looking in particular at those regularities that extend across individuals and must have the individuality abstracted from them, the evidence for inference coming from a class of individuals rather than a single one.

Too often, the discussion of culture is conducted as if culture were an independent existing thing, which it is not. A theory of culture and an understanding of culture must be based on an understanding of what it is that we are dealing with. By accepting the socialistic world-view of culture as a separate sphere of human life (along with *economy* or *politics*) and allowing the category mistake to go unchallenged, most of the important arguments are already half lost. There is little value in producing a better socialist theory of culture than the socialists.

CATEGORY AND STRUCTURE

The collectivists confuse *category* and *structure*. It may well be worthwhile looking at the world with the use of the *category* of culture, to draw out certain aspects of the human order, just as the other categories employed in social science each may have their place. But all these are categories which the *observer* uses to understand the world he experiences. They are not *part* of that world. The *structure* of the world is that which *is* within it. The structure is *more* than the observed regularities (the *reduced form* in the terminology of the economist). The structure is not observable - it is only theorisable.

The *Lucas Critique*² is popularly associated with Rational Expectations in economics, but is in fact a more

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general and devastating contribution to the methodology of social sciences. It simply points out that planning and choosing individuals will condition their expectations and hence their actions, not on some finite and enumerable description of those variables deemed relevant, but on a *fully formed model of society, including a model of the policy change process* (and everything else). If something is ordered and predictable then it can be incorporated into expectations and hence affect actions. The reduced form of the social system will depend on both the structural relationships and the complete conjectures conceived by the separate individuals.

A change of policy regime will change the reduced form behaviour and most likely falsify most of the predictions that have been made on the basis of the previously observable regularities of the reduced form.³ Most socialists don't like RE theory because it completely stuffs most arguments for state intervention in the economy, based as they are on simplistic and elitist assumption about the rationality of individuals and governments. In their dismissal however, they fail to realise that its critique is not dependent on the particular model of *Muth RE*⁴ but is universal.

It is not possible to deduce the structure from the reduced form. The observable data of society will not allow us to deduce the underlying structure, although it will limit the range of possible structures. This property of social order is crucial to its understanding. To predict social changes it is necessary to theorise about the structural relationships within society. These cannot be proved or disproved in any absolute sense, but the predictions can be tested against the perceived order and criticised. Hence our knowledge of social structure grows.⁵

CULTURE AND THE STATE

When we debate culture we are expected to treat culture as if it were a structural part of society. It comes easily to collectivists and aggregators to draw a picture of society as a figure with culture and economy and politics as vertices and to treat this as a structural diagram of society. The structure is not at all like this. Because of the goal-seeking, perceiving and conceiving nature of individuals no theory of social structure that aggregates above the individual or close family (where the boundaries of individuals, become blurred) has proved to have any substantial analytical power. In contrast the individualistic, structural, theories, such as micro-economics are indeed powerful in the sense of scientific theory. From this one concludes that social structure is dis-aggregative, at the individual level.

All the *spheres of life*, or *estates of the realm*, lack a substantive reality. Each and every human act forms a part of a whole, the perceived portion of which is then used as a basis for abstraction and the creation of con-

ceptual categories such as that of the cultural. There is no such thing as a purely cultural act, nor a purely political or economic act. An act may be more significant in one or other category but that act exists in all of them. And of course we must not forget that the act of abstraction must always be performed by somebody.

The view of society where the categories employed by observers are believed to be real in themselves is closely associated with the belief in an anthropomorphised society that can act of itself. If one takes that view then nothing is more natural than to arrange the world to correspond with the organisation of some state bureaucracy with departments of culture and economy and environment and so on. Again, one can see how that view might be sensible in a world of corporatism or monopoly where one person or organisation can design and build some sector of the economy according to a grand plan. It is a short step from naturalising ones conceptual categories to coercing the recalcitrant people to fit into them. A great deal of the harm that states do, and the cause of many of their failures also, derives from their seeking to operate on the categorical level rather than the structural level. The state seeks to impose its categories onto the social structure - a certain income distribution, the absence of particular activities and so on - rather than work with a sympathetic understanding of the structure of society. From this mistake comes macro-economics, social justice,⁶ incomes policies, and so on.

CULTURE AND ORDER

When examining culture we must bear in mind the categorical problems that the term causes. In one sense it is the conception of an individual of the order in society about him. In another category, in is an industry that supplies information and order to the individuals. In this way it is no different from a host of other activities that combine an individual conception with a social organisation.

So what is the particular content of the category we call culture? In one sense we consider it to be all the immaterial inheritance passed on from one generation to another, known at a moment in time - that combination of tacit and explicit knowledge of the social order in which we live and the way in which we perceive it. Sometimes culture is also taken to imply a certain excellence and sophisticated understanding and aesthetics, thus being "high" culture rather than "popular" culture. There are positive and normative definitions of culture, but they all deal with the intellect and creativity of the mind. This we can call the field of culture.

Clearly any activity that consciously deals with symbols rather than detailed rationality (which is in fact also a cultural artifact) is at least partly a cultural ac-

tivity. The associations and interpretations of symbols cannot be automatic and independent of the interpreter and his context. A symbol that is more complex than that which it represents is not an effective symbol. If one looks at most conscious human activity it clearly has a symbolic and hence a cultural element. Politics is far more about gestures and style than reality. Even the persistent political tokens such as *the NHS* or *the monarchy*, *sound money* and so forth are largely symbolic when used by politicians.

To collectivists, culture poses a problem that they solve with relativism and paranoid power theories, largely because they cannot distinguish between culture-conception and culture-industry. Culture-conception is necessarily purely cultural, as a matter of definition. Culture-industry usually supplies joint products, combining opportunity for socialising, business dealing, eating, drinking, relaxing, and so on. Economics has provided a thorough and successful critique of industrial organisation. We need develop the argument no further than to point out that cultural goods are best supplied by markets, just like most others.

The main point of interest is the prevalence of club goods (locally public goods) in culture provision and the consequent organisation of clubs, societies, and so on. By rejecting the idea that culture is an industry, collectivists forgo the use of economics to explain the diversity of forms of culture-providing organisations that arise and have to fall back on peculiar sociological theories of the natural gregariousness of humanity, from which socialistic political solutions are often derived. Collectivists conflate the two categories and, lacking a coherent model of culture, tend thus to believe that “culture” should be state-funded.

In talking of culture-conception we are talking of people’s understanding and symbolic representation of their society. One aspect of this will often, but need not be, an awareness of the existence of culture. Like Voltaire, we may suddenly discover that we have been living in a culture all our lives. We are talking about the bundle of concepts and ideas with which the individual seeks to construct an understanding of the world and the tacit knowledge and behaviours that influence their interactions with it.

THE CULTURE INDUSTRY

Some culture is unconscious and largely a side effect of an activity that is conducted for some other purpose. There are also aspects of society that are self-consciously cultural. The theatre, cinema, art galleries, record companies and the like are primarily cultural. Culture is their main product. Universities and schools often try and hitch on the cultural bandwagon as well.

The culture industry is wont to claim that “culture” is a separate sphere of life, that is as essential as it is intangible, and that the present cultural establishment

ought (in a strong moral sense of the word) to be liberally funded by the state. The culture industry claims that it should not be subject to base economic criteria. Yet as we have seen this claim is founded in a false view of society. It is a claim that act X is purely cultural and entirely non-economic.

It is often also claimed that culture (in the industrial - i.e. organised form) is a public good. This is superficially plausible so long as one tries to avoid thinking in terms of individual cultural activities or items and concentrate on vague visions of everyone marvelling at how wonderful and talented the speaker is.

Take a particular painting. To start with, few artists admit that they are only in it for the fame. They would paint regardless of whether or not it was popular. Hence painting is clearly a private good for most artists. Although the production of a painting is at the same cost, regardless of how many people later see it, there are some costs, in its continued preservation (air conditioning and so on) and in its display (congestion costs). Clearly there are very large economies of scale in display of paintings, but this is not sufficient to make it a public good. Although art is partially joint in supply it is excludable in consumption so the surplus can be expropriated and the activity funded. Art galleries are quite able to charge for admission if they choose to. Since some cultural goods have, at least in the view of some people, no close substitutes then there may be a competitive rent to be gained. The wealth of some musicians and actors attests to this. The public good claim, in general, is little more than special pleading from the unsuccessful.

There may well be particular cultural activities that are public goods. Undoubtedly there are as many that are public bads. Culture is an area where people tend to have strong preferences over brand and weaker preferences over quality⁷ and there is hence little consensus as to which activities are public in nature. At most, a cultural activity is likely to be a club good. This is part of the cause for club-organisation as mentioned above.

THE CULTURE CRISIS

Our culture industries, in Western Europe, are in a sorry state. Many of the intellectually most able of our people adopt preposterous and irrational ideologies and pass them on with little effective critical appraisal. The less able are allowed to maintain self-interested and hypocritical positions without much fear of exposure or ridicule. The degree to which academic ideology is disconnected from the culture of the population of this country seems to be a matter of pride to the intellectuals rather than of shame. Ideology and its history is modified *ad hoc* in order to eliminate embarrassment and awkwardness. There is no effective marketplace of ideas as there is in civil

life or even, though grossly distorted, in politics. Without intellectual competition there is little prospect of change. These intellectuals have even produced a theory of intellectual change that not only recognises the lengths to which intellectuals will go to preserve a flagging idea but also seeks to legitimise their hypocrisy as the inevitable condition.⁸

The people not entrenched in the corrupt state culture industry, do not have a thriving and open culture market to explore, but instead a marginalised and distorted one. The well-off middle classes of restaurant-goers and mainstream theatre-goers are largely unaware of the damage, since these are the two most competitive of our culture industries, partly perhaps because the economic motives are more directly relevant than in others.

But on the whole, the view is somewhat bleaker. Those of our population who could be cultural leaders and educators do not want to, do not need to, or are not able to, perform this role. It is considered demeaning to have to persuade others to like one's own brand of culture. Its advantages are supposed to be obvious. Companies that work like this go out of business, as they ought. It is far easier to leech off the state, but the result is that our culture has become egotistical and inward-looking, as the market pressures are relaxed. The cultural slack is just the same as bureaucratic slack in the large firm, or production slack in the unionised factory. Market pressure is no less appropriate for culture than it is for other aspects of social life.

We seem to have produced a weakened and vulgarised unofficial culture, while the official state culture industry is decayed and introspective, almost relishing the loathing and incomprehension of the people as proof of their own advanced level of being. As usual the free market could be effective at integrating disparate interests and beliefs or the population, without the need to impose a common scale of values. Without the discovery and feedback of a free social order, cultural changes are less likely to please or be beneficial to the individuals involved. If they really cared, the cultural activists would want to go out and bring their ideas to a wider audience. The market is the best way of doing this.

In a working culture industry, there are large windfall profits to be made from ideas that turn out to be trend-setters. The great and innovative artist is essentially an entrepreneur in the culture industry. The co-existence of cultural entrepreneurs and rich patrons (buying social status and interest) produces an innovative leading edge to culture. The mass industry must seek to market culture to the mass of people. There is a competitive tension between all the sections that can produce a dynamic and living culture. The culture market works.

In a nation that is wealthy and free, there will be plenty of individuals who will turn their heads to philanthropic cultural enterprise. Combined with the positive benefits of sponsorship, the culture of a free society will thrive and grow through diversity and innovation. An impoverished socialist state leaves no resources or opportunities for private expression of culture.

The culture industry in this country is a classic case of a failed socialist project, ripe for splitting up and privatising. There are some examples of private culture and of its vigour and diversity. Architecture is one of the battleground sectors for the state *versus* freedom in culture and the results are clear. Private buildings while sometimes controversial are of high quality and fit for purpose. The public sector buildings are often not fit for their supposed function and of low quality. A comparison between the Sainsbury Wing of the National Gallery and the new British Library highlights the point. Not all private culture is good, but that which is not doesn't last or propagate.

One of the great unreformed aspects of the state is its interference in culture. The legal meddling (censorship and so on) are widely discussed. The failure of nationalised culture industries and the devastation that these subsidised monopolies have caused among the free culture industry are less well documented. It is important that the frontiers of freedom are pushed forward to set free our cultural industries. Not least, while we have state sponsored culture we are unlikely to have a culture that is anti-socialist and pro-liberal. Now that most groups pay at least lip service to market economics we must make sure that this is accepted in all sectors of society, to build a truly *social* market.

NOTES

1. See Gilbert Ryle, *The Concept of Mind*, Penguin Books, Harmondsworth, Middlesex, 1963 for elaboration on this and following points.
2. Robert Lucas (no relation). See C. L. F. Atfield, D Demery, N. W. Duck, *Rational Expectations in Macroeconomics*, Basil Blackwell, Oxford, 1985, p. 123, or other modern textbooks.
3. The classic example is Keynesian demand management, which requires the population to be unaware of what the government is trying to do. The learnt response to Keynesianism has been to aim at inflation-plus wage bargaining. The long term consequence has been to entrench instability and inflation in the economy.
4. *Muth Rational Expectations* (named after its inventor) is the original version, employing very strong rationality and information assumptions.
5. For background on Popperian critical rationalism and epistemology see William Bartley III, *Unfathomed Knowledge, Unmeasured Wealth*, Open Court Books, New York, 1990.
6. See Friedrich Hayek, *Law, Legislation and Liberty*, Routledge & Kegan Paul, London, 1982.
7. Would you prefer a top-quality rendition of your least favourite music or a mediocre rendition of music you like?
8. Thomas Kuhn, *The Structure of Scientific Revolutions*, University of Chicago Press, Chicago, 1972.