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**Tyler Cowen: Creative Destruction**

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# 1

## ■ Trade between Cultures

Haitian music has a strong presence in French Guiana, Dominica, Martinique, Guadeloupe, and St. Lucia—the smaller Caribbean markets. Many Antillean musicians have resented the Haitian success, even though they derived many musical ideas from the Haitian style of *compas* (pronounced “comb-pa”). The founder of Kassav, the leading Antillean group in the funky style of *zouk*, stated: “It’s this Haitian imperialism [i.e., the popularity of the groups] that we were rising against when we began Kassav.” Governments responded with protective measures to limit the number of Haitian bands in the country. Ironically, Antillean *zouk* now has penetrated Haiti. Haitian musicians resent the foreign style, although like their Antillean counterparts they do not hesitate to draw on its musical innovations. Haiti’s *compas* style was originally a modified version of Cuban dance music and Dominican *merengue*.<sup>1</sup>

The Canadian government discouraged the American book-superstore Borders from entering the Canadian market, out of fear that it would not carry enough Canadian literature. Canadians subsidize their domestic cinema and mandate domestic musical content for a

<sup>1</sup> On these episodes, see Guilbault (1993, chap. 5).

percentage of radio time, which leads to extra airplay for successful Canadian pop stars like Celine Dion and Barenaked Ladies. Americans take pride in the global success of their entertainment industry, but Canadian writer Margaret Atwood coined the phrase “the Great Star-Spangled Them” to express her opposition to NAFTA.

The French spend approximately \$3 billion a year on cultural matters, and employ twelve thousand cultural bureaucrats, trying to nourish and preserve their vision of a uniquely French culture.<sup>2</sup> They have led a world movement to insist that culture is exempt from free trade agreements. Along these lines, Spain, South Korea, and Brazil place binding domestic content requirements on their cinemas; France and Spain do the same for television. Until recently India did not allow the import of Coca-Cola.

Trade is an emotionally charged issue for several reasons, but most of all because it shapes our sense of cultural self. More than ever before, we are aware that not everyone likes how international trade and globalization are altering today’s cultures. The terrorist attacks of September 11, 2001, on America were directed first at the World Trade Center, a noted icon of global commerce.

Harvard philosopher Robert Nozick, in his *Anarchy, State, and Utopia*, argued that market society offered a cultural utopia based on freedom of choice. He portrayed a hypothetical libertarian world where individuals would freely choose their lifestyles, their mores, and their culture, so long as they did not impinge on the rights of others to make the same choices. Such a vision has held great appeal for many, but it has skirted the empirical question of how much choice actually is available in the market, or would be available in a more libertarian society.

Numerous commentators, from across the traditional political spectrum, have argued that markets destroy culture and diversity. Benjamin Barber claimed that the modern world is caught between Jihad, a “bloody politics of identity,” and McWorld, “a bloodless economics of profit,” represented by the spread of McDonald’s and

<sup>2</sup> For data on French expenditures, see Drozdiak (1993).

American popular culture. John Gray, an English conservative, has argued that global free trade is ruining the world's politics, economies, and cultures. His book is entitled *False Dawn: The Delusions of Global Capitalism*. Jeremy Tunstall defined the "cultural imperialism thesis" as the view that "authentic, traditional and local culture in many parts of the world is being battered out of existence by the indiscriminate dumping of large quantities of slick commercial and media products, mainly from the United States." Fredric Jameson writes: "The standardization of world culture, with local popular or traditional forms driven out or dumbed down to make way for American television, American music, food, clothes and films, has been seen by many as the very heart of globalization."<sup>3</sup>

Alexis de Tocqueville, the nineteenth-century French author of *Democracy in America*, provided foundations for many modern critics of commercialism. Tocqueville is not typically considered an economic thinker, but in fact his book is permeated with a deep and original economics of culture; he provides the most serious nineteenth-century attempt to revise Adam Smith. He sought, for instance, to disprove the Scottish Enlightenment dictum that an increase in the size of the market leads to more diversity. For Tocqueville, market growth serves as a magnet, pulling creators towards mass production and away from serving niches. For this reason, Tocqueville portrayed America as producing a culture of the least common denominator, in contrast to the sophistication of European aristocracy. While Tocqueville's account of America was subtle and nuanced, and in many regards favorable, he believed that broader markets for cultural goods lowered their quality.

<sup>3</sup> See Barber (1995, p. 8), Tunstall (1977, p. 57) and Jameson (2000, p. 51). For related contemporary perspectives, see Tomlinson (1991), Robertson (1992), and Schiller (1992). Barnett and Cavanagh (1996) provide another clear statement of the typical charges leveled against cultural globalization. For a critique of Gray, see Klein (2000). The more general doctrine of primitivism found early expression in Rousseau's Noble Savage, and, going back farther in time, in the Greek view that historical change represents corruption and decay. Christian doctrine, especially the Garden of Eden and Man's Fall, provided inspiration for the doctrine that pure, original cultures are doomed to fall from grace. On the Christian roots of primitivism, see Boas (1948); on the history of the Noble Savage idea, see Fairchild (1961). On primitivism in classical antiquity, see Lovejoy and Boas (1965).

Given the recurring nature of such criticisms, we cannot help but wonder whether the market does in fact expand our positive liberties and increase the menu of choice. If not, the freedom to engage in marketplace exchange will stand in conflict with other notions of freedom, such as an individual's ability to choose or maintain a particular cultural identity. More generally, the question at stake is what kinds of freedom are possible in the modern world.

To pursue this issue, I ask some fundamental questions about culture in a market economy. Does trade in cultural products support the artistic diversity of the world, or destroy it? Will the future bring artistic quality and innovation, or a homogeneous culture of the least common denominator? What will happen to cultural creativity as freedom of economic choice extends across the globe?

Modern debates refer frequently to the buzzword of globalization. Commentators invest this term with many meanings, including the growth of world trade and investment, world government, international terrorism, imperialist conquest, IMF technocracy, the global arms trade, and the worldwide spread of infectious diseases. I make no attempt to evaluate globalization in all its manifestations, but rather I focus on the trade in cultural products across geographic space.

A typical American yuppie drinks French wine, listens to Beethoven on a Japanese audio system, uses the Internet to buy Persian textiles from a dealer in London, watches Hollywood movies funded by foreign capital and filmed by a European director, and vacations in Bali; an upper-middle-class Japanese may do much the same. A teenager in Bangkok may see Hollywood movies starring Arnold Schwarzenegger (an Austrian), study Japanese, and listen to new pop music from Hong Kong and China, in addition to the Latino singer Ricky Martin. Iraq's Saddam Hussein selected Frank Sinatra's "My Way" as the theme song for his fifty-fourth birthday.<sup>4</sup>

I focus on one particular aspect of culture, namely those creative products that stimulate and entertain us. More specifically, I treat

<sup>4</sup> Micklethwait and Wooldridge (2000, p. 190).

music, literature, cinema, cuisine, and the visual arts as the relevant manifestations of culture. Given this field of inquiry, I focus on how trade shapes artistic creativity in the marketplace.

I leave aside broader social practices. I do not consider how globalization influences family norms, religion, or manners, except as they may affect creative industries. These social practices, while relevant for an overall assessment of globalization, are outside my chosen purview. I focus on markets, rather than on peoples or communities per se. I consider what kinds of freedom are available *in the marketplace*, rather than what kinds of freedom we have *to remain outside the marketplace*. I do not, for instance, examine whether we should attach intrinsic value to preventing the commodification of global creativity.

Instead I treat international commerce as a stage for examining an age-old question, dating back at least as far as Greek civilization: are market exchange and aesthetic quality allies or enemies? Furthermore our look at markets, and the resulting menu of choice, will help address other questions from classic antiquity. Was Herodotus pointing to a more general phenomenon when he ascribed the cultural vitality of the Greeks to their genius for synthesis? Was Plutarch correct in suggesting that *the exile*, and the corresponding sense of foreignness, is fundamentally creative in nature, rather than sterile? Along the lines of the Stoics, to what extent should our loyalties lie with the cosmopolitan, or to what extent should they lie with the local and the particular?

### ■ Our Conflicting Intuitions

We have strongly conflicting intuitions about the worldwide trade in cultural products. On the plus side, individuals are liberated from the *tyranny of place* more than ever before. Growing up in an out-of-the-way locale limits an individual's access to the world's treasures and opportunities less than ever before. This change represents one of the most significant increases in freedom in human history.

## CHAPTER 1

More specifically, the very foundations of the West (and other civilizations throughout history) are multicultural products, resulting from the international exchange of goods, services, and ideas. To varying degrees, Western cultures draw their philosophical heritage from the Greeks, their religions from the Middle East, their scientific base from the Chinese and Islamic worlds, and their core populations and languages from Europe.

If we consider the book, paper comes from the Chinese, the Western alphabet comes from the Phoenicians, the page numbers come from the Arabs and ultimately the Indians, and printing has a heritage through Gutenberg, a German, as well as through the Chinese and Koreans. The core manuscripts of antiquity were preserved by Islamic civilization and, to a lesser extent, by Irish monks.

The period between 1800 and the First World War saw an unprecedented increase in internationalization. The West adopted the steamship, the railroad, and the motor car, all of which replaced travel by coach or slow ship. International trade, investment, and migration grew rapidly. The nineteenth century, by virtually all accounts, was a fantastically creative and fertile epoch. The exchange of cultural ideas across Europe and the Americas promoted diversity and quality, rather than turning everything into homogenized pap.<sup>5</sup>

Conversely, the most prominent period of cultural decline in Western history coincides with a radical shrinking of trade frontiers. The so-called Dark Ages, which date roughly from the collapse of the Roman Empire in A.D. 422 to early medieval times in 1100, saw a massive contraction of interregional trade and investment. The Roman Empire had brought regular contact between the distant corners of Europe and the Mediterranean; the Roman network of roads was without historical parallel. After the fall of the empire, however, trade dried up, cities declined, and feudalism arose as nobles retreated to heavily armed country estates. During this same period, architecture, writing, reading, and the visual arts all declined drastically. The magnificent buildings of antiquity fell into disrepair, or

<sup>5</sup> As a percentage of the world economy, international trade grew from 3 to 33 percent; world trade, as a share of world output, did not return to its 1913 levels until the 1970s. See Waters (1995, p. 67) and Krugman (1996, p. 208).

were pillaged for their contents. Bronze statues were melted down for their metal, and many notable writings perished.

The rise of medieval society and the Renaissance was, in large part, a process of reglobalization, as the West increased its contacts with the Chinese and Islamic worlds. At the same time, trade fairs expanded, shipping lanes became more active, scientific ideas spread, and overland trade paths, many dormant since the time of the Romans, were reestablished.

These successes did not involve cultural exchange on equal terms. To put it bluntly, the notion of a cultural “level playing field” is a myth and will never be seen in practice. Never did the Greek city-states compete on an even basis. Christian and Graeco-Roman cultures were entrenched in Europe partly by fiat. British culture has had a significant head start in North America. The benefits of cultural exchange usually have come from dynamic settings in great imbalance, rather than from calm or smoothly working environments.

“Third World” and “indigenous” arts have blossomed on the uneven playing field of today’s global economy. Most Third World cultures are fundamentally hybrids—synthetic products of multiple global influences, including from the West. None of the common terms used to describe these cultures, whether it be “Third World,” “indigenous,” “original,” or “underdeveloped,” are in fact appropriate designations, given the synthetic nature of the creative arts.

To give one example, the sculpture of the Canadian Inuit was not practiced on a large scale until after World War II. Even the earlier, nineteenth-century carvings drew on sailors’ scrimshaw art for inspiration. White artist James Houston, however, introduced soapstone carving to the Inuit in 1948. Since then the Inuit have created many first-rate works in the medium. The sale of stone-carved works in Western art markets, often for lucrative sums, also has allowed the Inuit to maintain many of their traditional ways of life. The Inuit have moved into printmaking as well, and with commercial and aesthetic success.<sup>6</sup>

<sup>6</sup> On scrimshaw art, see Furst and Furst (1982, p. 138); on the minor role of stone carving among the Inuit prior to Houston, see J.C.H. King (1986, pp. 88–89). Good general treatments are Swinton (1972) and Hessel (1998).



Analogous stories are found around the world. The metal knife proved a boon to many Third World sculpting and carving traditions, including the totem poles of the Pacific Northwest and of Papua New Guinea. Acrylic and oil paints spread only with Western contact. South African Ndebele art uses beads as an essential material for the adornment of aprons, clothing, and textiles. These beads are not indigenous to Africa, but rather were imported from Czechoslovakia in the early nineteenth century. Mirrors, coral, cotton cloth, and paper—all central materials for “traditional” African arts—came from contact with Europeans. The twentieth-century flowering of Third World “folk arts,” prominent throughout the world, has been driven largely by Western demands, materials, and technologies of production. Charlene Cerny and Suzanne Seriff have written of the “global scrap heap,” referring to the use of discarded Western material technology in folk arts around the world.<sup>7</sup>

World musics are healthier and more diverse than ever before. Rather than being swamped by output from the multinational conglomerates, musicians around the world have adapted international influences towards their own ends. Most domestic musics have no trouble commanding loyal audiences at home. In India, domestically produced music comprises 96 percent of the market; in Egypt, 81 percent; and in Brazil, 73 percent. Even in a small country such as Ghana, domestically produced music is 71 percent of the market.<sup>8</sup>

Most world music styles are of more recent origin than is commonly believed, even in supposedly “traditional” genres. The twentieth century brought waves of musical innovation to most cultures, especially the large, open ones. The musical centers of the Third World—Cairo, Lagos, Rio de Janeiro, pre-Castro Havana—have been heterogeneous and cosmopolitan cities that welcomed new ideas and new technologies from abroad.

<sup>7</sup> See Brunside (1997, p. 93), and Bascom (1976, p. 303). On the Ndebele, see Glassie (1989, p. 64). The artistic benefits of Western metal knives were widely recognized, including in such locales as Papua New Guinea, Melanesia, and New Zealand; see Weatherford (1994, pp. 250–51).

<sup>8</sup> See Cowen and Crampton (2001), drawing on UNESCO data from World Culture Report 2000, table 5.

In all of these examples, the notable creators are active, searching artists, drawing on many sources to produce the sought-after aesthetic effect. These points do not denigrate non-Western artists or imply that they “owe it all to the West.” It is the contrary emphasis on monoculture that insults, by portraying non-Western artists as unchanging and static craftworkers, unable to transcend their initial styles for synthetic improvements.

Cinema is one of the most problematic areas for globalized culture, as we will see in chapter 4, due largely to the export success of Hollywood. Nonetheless in the last twenty years Hong Kong, India, China, Denmark, Iran, and Taiwan, among other locales, have produced many high-quality and award-winning movies. African cinema remains an undiscovered gem for most viewers, and European cinema shows signs of commercial revitalization. Hollywood cinema itself has relied on international inspiration from the beginning, and should be considered as much a cosmopolitan product as an American one.

American books do not typically dominate fiction best-seller lists abroad. At any point in time American books typically account for no more than two or three of the top ten best-sellers, if even that many, in countries such as Germany, France, Italy, Israel, the Netherlands, and the United Kingdom. The Netherlands is a very small country, with fewer than ten million people, but most of its best-sellers are of Dutch origin. Many people still prefer to read books written originally in their native language, and about their native culture. Even in Canada, American books do not typically command half of the fiction best-seller lists.<sup>9</sup>

Nor are the most influential books, in the international arena, necessarily from today’s richest countries. Arguably the most influential books in the world remain the Bible and the Koran, neither of which is a Western product in the narrow sense, though the former has been shaped by Western interpretations.

<sup>9</sup> The magazine *The Economist* surveys international best-sellers on a periodic basis. Cowen and Crampton (2001) present one summary version of this information.

Western literature, as well as the bookstore and the modern printing press, typically has spurred native writers. Salman Rushdie of India, Gabriel García Márquez of Colombia, Naguib Mahfouz of Egypt, and Pramoedya Toer of Indonesia, among others, are world-class writers, comparable to the best of Europe and the United States, if not better. These fictional traditions, now worldwide, drew directly on Western literary models and institutions.

Appropriately, Third World writers have been some of the strongest proponents of a cosmopolitan multiculturalism. Salman Rushdie describes his work as celebrating hybridity, impurity, and mongrelization. Ghanaian writer Kwame Anthony Appiah believes that cosmopolitanism complements “rootedness,” rather than destroying it, and that new innovative forms are maintaining the diversity of world culture. Rabindranath Tagore, Gandhi’s foil earlier in the century, favored international trade and cooperation over national isolation or boycotts of foreign goods. He saw the genius of Indian society in synthesizing the cultures of the East and the West. Even the critics of globalization have, for the most part, been diverse products of a worldwide intellectual culture, strongly rooted in Western and classic Greek methods of analysis and argumentation.<sup>10</sup>

### ■ The Downside

Despite the triumphs of synthetic culture, we should not ignore the costs of cross-cultural exchange. Montesquieu wrote: “The history of commerce is that of communication among peoples. Its greatest events are formed by their various destructions and certain ebbs and flows of population and of devastations.”<sup>11</sup>

<sup>10</sup> On Rushdie, see Waldron (1996, pp. 105–9). Also see Appiah (1992, 1998). On Tagore, see Sinha (1962) and Dutta and Robinson (1995). On the history of cosmopolitan thought more generally, see Wagar (1963). Montesquieu (1965 [1748], p. 24) saw the genius of the Romans in their synthetic abilities: “The main reason for the Romans becoming masters of the world was that, having fought successively against all peoples, they always gave up their own practices as soon as they found better ones.”

<sup>11</sup> Montesquieu (1989 [1748], p. 357).

Globalized culture illustrates Joseph Schumpeter's metaphor of capitalist production as a gale of "creative destruction." Cultural growth, like economic development, rarely is a steady advance on all fronts at once. While some sectors expand with extreme rapidity, others shrink and wither away.

It is hard to argue that Polynesian culture is more vital today than several hundred years ago, even though the Polynesians are wealthier in material terms. Materialism, alcohol, Western technologies, and Christianity (according to some) have damaged the Polynesian sense of cultural potency. In Tahiti many creative traditional arts have been neglected or abandoned as they lost status to Western goods or proved uneconomical. Polynesian culture has hardly disappeared, but it now limps along on the margins of Western achievement.

Some commentators have suggested that China opened Tibet to the outside world, not out of tolerance and magnanimity, but to destroy the native culture. Coca-Cola and Western tourists may succeed in doing what decades of coercive Communist intervention failed to achieve—weakening traditional Tibetan attachments to their rich brocade of history, rituals, temples, and Buddhist religion. The Himalayan kingdom of Bhutan charges tourists two hundred dollars a day in the hope of maintaining a protected sense of identity. The country has no traffic lights and no city with more than ten thousand inhabitants. Wild dogs roam the streets. Poverty and malnutrition are rife, but the country maintains intense forms of Buddhist mythology and art that are perishing elsewhere.<sup>12</sup>

Travel puts the downside of cross-cultural exchange right before our eyes. Even travelers of only moderate experience complain that their fellow countrymen have "spoiled" various locales or diminished their authenticity. Sophisticated travelers go to great lengths to seek out places that are otherwise undertouristed, precisely for their unique qualities. It is the underdeveloped Papua New Guinea,

<sup>12</sup> On Tibet, see Iyer (1989, p. 71).

divided by treacherous mountain ranges, that contains more than a quarter of the world's languages.<sup>13</sup>

Just as the mobility of people can have a homogenizing effect, so can the mobility of goods. Movie producers know that action films are easiest to export to many different countries. Heroism, excitement, and violence do not vary so much across cultures. Comedies, with their nuances of dialogue and their culturally specific references, are the hardest to sell abroad. A global market in cinema therefore encourages action films more than it does sophisticated comedy. Comedies for the global market tend to emphasize physical slapstick rather than clever wordplay, which is hard to translate into other languages. Some very fine movies use action and slapstick comedy, but these trends have not elevated the quality of movies in all regards.

### ■ What Is to Come

Many writers address cross-cultural exchange from the perspectives of "critical theory." They draw upon a diverse set of approaches—including Marxism, structuralism, the Frankfurt School, and post-modernism—to provide a critique of capitalism and globalization. They view markets as promoting hegemony, alienation, and a dumbing down of taste. To varying degrees, Bourdieu, Gramsci, Habermas, and Canclini all explore different aspects of these traditions. These thinkers cannot be reduced to a single common denominator, as is appropriate for such diverse (and global) intellectual products. Nonetheless they share common sources, taken largely from Continental philosophy, share a skepticism about market-driven culture, and have been influenced by Marxian economics.

In contrast to these sources, I use a "gains from trade" model to understand cultural exchange. Individuals who engage in cross-cultural exchange expect those transactions to make them better off, to enrich their cultural lives, and to increase their menu of choice.

<sup>13</sup> See "Cultural Loss Seen as Languages Fade."

Just as trade typically makes countries richer in material terms, it tends to make them culturally richer as well. Any story about the problems of globalization—and several plausible candidates will arise—must explain why this basic gains-from-trade mechanism might backfire.<sup>14</sup>

Chapter 2 examines the gains-from-trade story in more detail, showing how wealth, technology, and cross-cultural exchange drive many cultural blossomings. The following three chapters then consider three mechanisms that may overturn the gains-from-trade argument. Trade affects societal ethos and worldview, geographically clusters production of some goods and services, and alters customer thoughtfulness and concern for quality, not always for the better. These three mechanisms provide linchpins of anti-market arguments and thus they receive special attention.

I translate criticisms of globalization into stories about how individual cultural choices, made in the context of imperfect markets, may lead to undesirable consequences. In each case I examine how trade might damage creativity, convert anti-globalization polemics into a more systematic argument, and then assess the validity of the charges by looking at the evidence. When choosing empirical examples, I pay special attention to areas where the critics of globalization have been most vocal, such as cinema and handwoven textiles.

I do not seek to promote any single definition of what “quality” in global culture might consist of. One virtue of a broad menu of choice is to economize on the need for unanimity of opinion, which is hard to achieve. When it comes to the actual examples of quality culture, however, I have followed two principles. First, I have focused on what the critics cite as the hard cases for the optimistic perspective, as mentioned above. Second, when citing successes I have picked artistic creations that command widespread critical and popular support. For instance, I refer to French cooking, Persian car-

<sup>14</sup> In this regard my analysis differs from some of the writers who have defended synthetic or cosmopolitan culture. A variety of writers in the social sciences, such as James Clifford, Frederick Buell, Ulf Hannerz, Arjun Appadurai, and Edward Said, have pointed out the hybrid and synthetic nature of culture, but they have not focused on how the economics of trade shape that culture.

pets, and reggae music as examples of general cultural successes, though without meaning to endorse each and every manifestation of these genres. I do not spend time defending such judgments in aesthetic terms, which I take as given. Instead I focus on the role of the market, and cross-cultural exchange, in promoting or discouraging the relevant creations.

At the end of the day the reader must ultimately take home his or her personal opinion about whether a particular example is one of rot or one of cultural blossoming. I do not expect many readers to agree that every cited success is in fact splendid, but I hope nonetheless that the overall picture—which emphasizes the diversity of the menu of choice—will be a persuasive one.<sup>15</sup>

A discussion of globalization must range far and wide across numerous topics. Given my background as an economist, I approach each topic differently than might a specialist in a particular area. I have studied the relevant scholarly literature in each case, but the core of my knowledge results from my diverse experiences as a cultural consumer, rather than from a single path of specialized study. In the language of chapter 5, the book will sample topics extensively rather than intensively, and should be judged as such. Specialization, while it has brought immense benefits to science and academic life, is by its nature ill-suited to illuminate the diverse production and consumption made possible by the market economy.

The results of this inquiry will suggest three primary lessons, to be developed in the following chapters:

*The concept of cultural diversity has multiple and sometimes divergent meanings.*

It is misleading to speak of diversity as a single concept, as societies exhibit many kinds of diversity. For instance, diversity *within* society refers to the richness of the menu of choice in that society.

<sup>15</sup> An earlier book of mine, Cowen (1998), discusses aesthetic issues in more depth; I refer the interested reader to this treatment, especially chapter 5. In the literature I have found Hume (1985 [1777]), Herrnstein Smith (1988), Danto (1981), Savile (1982), and Mukarovsky (1970) to be especially enlightening.

Many critics of globalization, however, focus on diversity *across* societies. This concept refers to whether each society offers the same menu, and whether societies are becoming more similar.

These two kinds of diversity often move in opposite directions. When one society trades a new artwork to another society, diversity within society goes up (consumers have greater choice), but diversity across the two societies goes down (the two societies become more alike). The question is not about more or less diversity per se, but rather what kind of diversity globalization will bring. Cross-cultural exchange tends to favor diversity within society, but to disfavor diversity across societies.<sup>16</sup>

Note that diversity across societies is to some extent a collectivist concept. The metric compares one society to another, or one country to another, instead of comparing one individual to another, or instead of looking at the choices faced by an individual.

Critics of globalization commonly associate diversity with the notion of cultural differentiation across geographic space. In reality, individuals can pursue diverse paths without having their destinies determined by their place of origin; indeed this is central to the notion of freedom. But many proponents of diversity expect that differentiation should be visible to the naked eye, such as when we cross the border between the United States and Mexico. By comparing the collectives and the aggregates, and by emphasizing the dimension of geographic space, this standard begs the question as to which kind of diversity matters. Under an alternative notion of diversity, different regions may look more similar than in times past, but the individuals in those locales will have greater scope to pursue different paths for their lives, and will have a more diverse menu of choice for their cultural consumption.

Trade tends to increase *diversity over time* by accelerating the pace of change and bringing new cultural goods with each era or generation. If diversity is a value more generally, surely we have

<sup>16</sup> Weitzman (1992, 1993) develops an economic metric for diversity, but considers only differences across societies (or biological units), not the menu of choice within or the other concepts presented below.



some grounds for believing that diversity-over-time is a value as well. Yet many defenders of diversity decry the passing of previous cultures and implicitly oppose diversity-over-time. In the last chapter I will examine why this might be the case.

*Operative diversity*—how effectively we can enjoy the diversity of the world—differs from *objective diversity*, or how much diversity is out there. In some ways the world was very diverse in 1450, but not in a way that most individuals could benefit from. Markets have subsequently disseminated the diverse products of the world very effectively, even when those same cross-cultural contacts have damaged indigenous creative environments.

*Cultural homogenization and heterogenization are not alternatives or substitutes; rather, they tend to come together.*

Market growth causes heterogenizing and homogenizing mechanisms to operate in tandem. Some parts of the market become more alike, while other parts of the market become more different. Mass culture and niche culture are complements, once we take the broader picture into account. Growing diversity brings us more of many different things, which includes more mass culture as well.

Product differentiation and niche markets rely on certain kinds of social homogeneity. Mass marketing, for instance, also creates the infrastructure to peddle niche products to smaller numbers of consumers. Magazine advertising, mail order, and the Internet allow recording companies to make a profit issuing CDs that sell only five hundred copies. Book superstores enable readers to stumble across the products of small presses. Most generally, partial homogenization often creates the conditions necessary for diversity to flower on the micro level. Claude Lévi-Strauss noted, “Diversity is less a function of the isolation of groups than of the relationships which unite them.”<sup>17</sup>

<sup>17</sup> Lévi-Strauss (1976, p. 328). Late-nineteenth-century sociology was strongly concerned with processes of differentiation and homogenization; see the works of Pareto and Weber. Shils (1981) is one twentieth-century work in this tradition.

Food markets illustrate the connection between heterogenization and homogenization with special clarity. Chain restaurants take an increasing percentage of American and global restaurant sales, and in this regard the market brings greater homogeneity. At the same time, the growth in dining out has led to an expansion of food opportunities of all kinds, whether it be fast food, foie gras, or Thai mee krob. American suburbs and cities offer a wide variety of Asian, Latin, African, and European foods, as well as “fusion” cuisines. High and low food-culture have proven to be complements, not opposing forces. Paris and Hong Kong, both centers of haute cuisine, have the world’s two busiest Pizza Hut outlets.<sup>18</sup>

*Finally, cross-cultural exchange, while it will alter and disrupt each society it touches, will support innovation and creative human energies.*

Cross-cultural exchange brings value clashes that cannot be resolved scientifically, as I will stress in the last chapter. So no investigation, no matter how comprehensive, can provide a final evaluation of cultural globalization. The world as a whole has a broader menu of choice, but older synthetic cultures must give way to newer synthetic cultures. Countries will share more common products than before. Some regions, in return for receiving access to the world’s cultural treasures, and the ability to market their products abroad, will lose their distinctiveness. Not everyone likes these basic facts.

These trade-offs aside, much of the skepticism about cross-cultural exchange has nothing to do with diversity per se. Most critics of contemporary culture dislike particular trends, often those associated with modernity or commercialism more generally. They use diversity as a code word for a more particularist agenda, often of an anti-commercial or anti-American nature. They care more about the particular form that diversity takes in their favored culture, rather

<sup>18</sup> Pillsbury (1998, p. 183). On Pizza Hut, see *Harper’s*, November 1994, p. 11. On the growth in global food diversity, through trade, see Sokolov (1991).

## CHAPTER 1

than about diversity more generally, freedom of choice, or a broad menu of quality options.

In response to commonly pessimistic attitudes, I will outline a more optimistic and more cosmopolitan view of cross-cultural exchange. The “creative destruction” of the market is, in surprising ways, *artistic* in the most literal sense. It creates a plethora of innovative and high-quality creations in many different genres, styles, and media. Furthermore, the evidence strongly suggests that cross-cultural exchange expands the menu of choice, at least provided that trade and markets are allowed to flourish.<sup>19</sup>

Nonetheless, an informed cosmopolitanism must be of the cautious variety, rather than based on superficial pro-globalization slogans or cheerleading about the brotherhood of mankind. Throughout the book we will see that individuals are often more creative when they do not hold consistently cosmopolitan attitudes. A certain amount of cultural particularism and indeed provincialism, among both producers and consumers, can be good for the arts. The meliorative powers of globalization rely on underlying particularist and anti-liberal attitudes to some extent. Theoretically “correct” attitudes do not necessarily maximize creativity, suggesting that a cosmopolitan culture does best when cosmopolitanism itself is not fully believed or enshrined in social consciousness.

<sup>19</sup> I am indebted to John Tomasi for some of the wording of this paragraph, without wishing to hold him responsible for its use.