

# **Indigenous Cultural Production and the Circuit of Non-Corporate Capital: A Study of Cultural Hubs in Urban India**

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# Culture & Economy

- Recent interest in 'culture' in international (UNCTAD, UK and Canada) and national policy discussions (Indian Planning Commission *Towards Faster and More Inclusive Growth* 2006; Indian Planning Commission *Karnataka Development Report* 2007) have:
- Brought to the fore the link between culture and economy
- Focused on culture as a crucial area for the generation of wealth.

# Culture to Generate Wealth

- The Planning Commission's Report states that:
- In the new economy, more of the value of manufactured products will come from the...intelligence they embody, and more of what we consume will be in the form of services. Across all sectors the knowledge content of products and processes is rising...knowledge push and market pull have made know how the critical source of competitive advantage in the modern economy.
- (Leadbeater 1999, as quoted in Asian Heritage Foundation 2006, 55)
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- [In a creative economy] it is not that commodity manufacture provides the template, and culture follows, but that the culture industries themselves have provided the template.
- (Lash and Urry 1994, as quoted in Asian Heritage Foundation 2006, 56)

# Trade and IPR

- Here, the generation of value for the producer and the country in both the UN Report & the Planning Commission is envisaged through primarily “trade and IPR”:
- In the words of the UN Report:
- ...the creative industries are at the crossroads of the arts, culture, business and technology. In other words, they comprise the cycle of creation, production and distribution of goods and services that use intellectual capital as their primary input. Today’s creative industries involve the primary interplay of traditional, technology-intensive and service-oriented fields such as architectural and advertising services. All these activities are intensive in creative skills and can generate income through trade and intellectual property rights. (ibid, 6)
- The Planning Commission:
- The phenomenon of a dynamic global business using creativity, traditional knowledge and intellectual property to produce products and services with social and cultural meaning, points to the next Big Idea.
- (Ahluwalia 2006; India Planning Commission 2006; 2007)
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# Livelihood

- However, in contexts like India would like to highlight the importance of the culture-economy link and that of culture industries in generating livelihood

# Indigenous CE: Non-corporate Capital

- Partha Chatterjee's argument about the distinction between corporate and non-corporate forms of capital is relevant to understanding the nature of indigenous cultural economy. He argues:
- The fundamental logic that underlies the operations of corporate capital is further accumulation of capital, usually signified by the maximisation of profit. For noncorporate organisations of capital, while profit is not irrelevant, it is dominated by another logic – that of providing the livelihood needs of those working in the units. This difference is crucial for the understanding of the so-called informal economy.... (Chatterjee 2008).
- Two features that characterise non-corporate forms of capital:
- Livelihood generation
- Accumulation of profit as not central

# CI and Employment

- Recent studies—Planning Commission and film studies scholarship—on cultural industries draw attention to their importance in employing a large percentage of population.
- The CIDASIA report on “Cultural Production and Livelihood” showed that in the film industry there are in the Production (including painting art and make-up), Distribution and Publicity sectors 26, 23 and 38 (totaling 87) categories of employment respectively (Hyderabad State Film Chamber of Commerce Diary 2004).
- Further, the exhibition sector is comprised of about 23 categories, not including employment that are not directly linked to the film itself—canteens and cycle stands in cinema theatres, and innumerable vendors selling film related products.
  - The range of employment categories include:  
Manager-Typist-Driver-Sweeper et al in the Production sector;  
Manager-Film checking operator-Godown Clerk et al in Distribution sector;  
Artist-Letter Painter-Poster paster et al in Publicity sector.  
(Hyderabad State Film Chamber of Commerce Diary 2004).

# Chor Bazaar (Thieves Market), Mumbai



Courtesy:  
<http://traveholic.wordpress.com/tag/mohammad-ali-road/>

# CI and Employment

- It is in the name of livelihood that the industry has given rise to innumerable associations and unions that demand the state's strategic intervention—legal and otherwise.
  - The Karnataka Film Workers Artists and Technicians Federation (KFWATF) that was formed in 1987 is a federation of 11 unions—Karnataka Motion Picture Production Executives Sangha; Cine Drivers Association; All Karnataka Cine Stunt Director and Stunt Artist Association; Karnataka Rajya Chalanachitra Varnalankara mathu Keshalankara Kalavidara Sangha; Karnataka Chalanachitra Light Man Sangha; Karnataka Chalanachitra Kantadhana mathu Kirupatra Kalavidara Sangha; Karnataka State Cine Dance Directors and Dancers Association-Bangalore; Karnataka Chalanachitra Saha Kalavidara Sangha; Film Employee's Federation Cine Production Assistants and Light Men Union of Karnataka State- Bangalore; Karnataka Chalanachitra Horangana Ghataka Thantrajnara Sangha and Production Boys Association(<http://www.karnatakalabourfederation.org/html/Federation%20of%20Karnataka%20Cinema%20artists%20and%20Technicians%20Unions.html> ).

# CI and Employment

- Madhuja Mukherjee (2008) points out that even before independence the film industry was among the largest *industries* in India. She quotes Phiroze Sethna (from the Nov 1936 issue of the Journal of Motion Picture Society of India) on how cinema along with the associated industries like the printing press had a turnover and a labour force that was much bigger than other large-scale industries like cement:
  - As much as eleven and a quarter crore of rupees have by now been invested in studios, theatres etc. There are in India today about 650 theatres. According to statistics prepared by the Motion Picture Society of India the cinema industry ranks about seventh in the list of our major industries. Even the cement industry which has started its merger has a capital of Rs.8 crores. As regards labour it is estimated that it gives employment to at least 25000 people first hand... (Qtd in Mukherjee 2007, p.77)

# CI and Employment

- Further, the Telugu film industry in the 1990s claimed that it was *the largest* industry in the state of Andhra Pradesh in terms of the employment it provided (S.V.Srinivas 2009).

# CI and Employment

- What is interesting is that the livelihoods question has not been a non-issue within Indian culture policy. Some sectors like the craft sector have since independence been seen as sources of livelihood:
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- India is a country with over a crore of handloom weavers and an equal, if not larger, number of crafts people engaged in diverse crafts from pottery to basket making, stone ware, glass ware, hand made paper products and multifarious other utility items made out of local, available materials. This is because of positive and negative compulsions in that these artisans know no other skill due to centuries of immobility arising out of rigid caste structures, and because of a lack of viable economic options. (Jaya Jaitly 2005)

# CI and Employment

- Similarly even today the Planning Commission perceives the centrality of creative industries because of their employment capacity.
- Rajeev Sethi, Chairman of the Asian Heritage Foundation and vice-chairperson of the Taskforce on Cultural and Creative Industries, Planning Commission, presents the current employment percentage for cultural and creative industries is shown as 30% vis-à-vis that of agriculture constituting 40% and that of organized industries being 22% (Sethi 2006, 19).

# CI and Employment

- Montek Singh Ahluwalia, Executive Head of the Planning Commission:
- the “traditional sector as self-organized and not un-organized sector” the importance of which is its “critical human resource component” though it might not currently reflect in our “national income accounts”. Further, this resource needs recognition and “ground level support, similar to that given for IT and other empowered initiatives — not handouts.”  
(Ahluwalia 2006)
- Crucially, the artisan is no longer seen as someone to whom welfare is doled out.
- However, it is only now that culture policy is beginning to recognise cinema industry as a sector to be reckoned with within policy.

# Non-corporate Capital: Non-accumulation of Profit

- The second point that PC makes about non-corporate capital is the absence of the motive of capital accumulation
- This should however not lead us to believe that the industry is beleaguered economically.

# CI and Underground Economy

- The culture industry is characterized by what the CIDASIA report calls **underground economy**.

# Underground Economy

- Kannada star-producer-distributor Ravichandran, who was a central figure in the expansion of the Kannada film market in the mid-1980s:
- “There is plenty of money in the industry. But [there is] mismanagement and monopoly of capital. .It only means that producers do not get their money because of too many middle men and their greed.” (Vijaya et al, 1984).
- Amitabh Bachchan, “...I’m told that our stars are known even in Fiji, Bali and Chile. Amazing! But we are not marketing ourselves properly. Someone out there is making pots of money at our expense” (Qtd in Rajadhyaksha 2003).

# Piracy

- Revenue loss happens across the economic value chain of the film product but the most widely discussed is video and digital piracy.
  - The Karnataka Film Chamber of Commerce complains that whereas regular theatres had to invest a few lakhs of rupees, video theatres proliferated since they hardly invested a few thousands. Also, while regular theatres had to pay a high entertainment tax, video parlours and theatres had a fixed entertainment tax of 2,500/- that was further reduced to 1,500/- per month irrespective of the shows they conducted everyday. Further, district authorities overlooked the provisions of the Cinematograph Act as applicable to the video theatres. Additionally, video theatres started installing video screens which gave them bigger image and neither police nor industry could monitor these screenings (Karnataka Film Chamber of Commerce 1995).

# Selling of Pirate Film DVDs



Courtesy: Janice Sabnal



<http://bangalorefizz.blogspot.in>

# Piracy and Cultural value

- Statistics show that in 1984 the turn over of the video industry in India was about 100 crores, a significant portion of which did not provide economic returns to the film industry (Karnataka Film Chamber of Commerce 1995). Similarly there are leakages at the stages of distribution and exhibition.
- However, these external markets which do not provide economic value to the film industry contribute to what Ashish Rajadhyaksha calls the cinema effect, referring to the dispersal of cinema into varied domains that have nothing to do with the film but depends on the film for the generation of importantly cultural value (2003). For example, the marketing of cinema post-cards, song books and star-related products legally or otherwise helps in popularizing a star, song or film.

# High Cultural Value & Low Economic Value

- In the Indian context, we conventionally find high cultural value but low economic value attached to the film as commodity.
  - We need to however take into account some of recent changes that are occurring where culture industries are both raking in huge profits (the Bollywoodization of Hindi cinema being such a phenomenon) and are being perceived by government and international agencies as the industry of the future in raising the country's GDP (UNCTAD 2008, Planning Commission 2006). In 2002-2004, the Karnataka government foresees a possible increase in revenue from this sector through its opening up to private investment (Karnataka Development Report 2004).

# S.Indian Cinema: Linguistic Identity as Surfacing of Underground Economy

- One of the cinema effects that is particularly striking in the context of South Indian cinema is the generation of politics, especially around linguistic identity.



# Migrant Economy

- Scholarship till date has looked at the thematic and narrative elaborations of linguistic identity in cinema but we suggest linguistic politics as a surfacing, a becoming visible of the industry's underground economy.
- Our research on the backgrounds of film industry employees shows that an overwhelming majority of them are a first generation migrants into the city.
- Among the Kannada film union workers who number about 5000, we examined the records of about 364 workers to note their place of origin. About 159 workers, which amounts to 43.6% mention their home-address in Bangalore and 205, which amounts to 56.3% mention places outside Bangalore.

# Migrant Economy

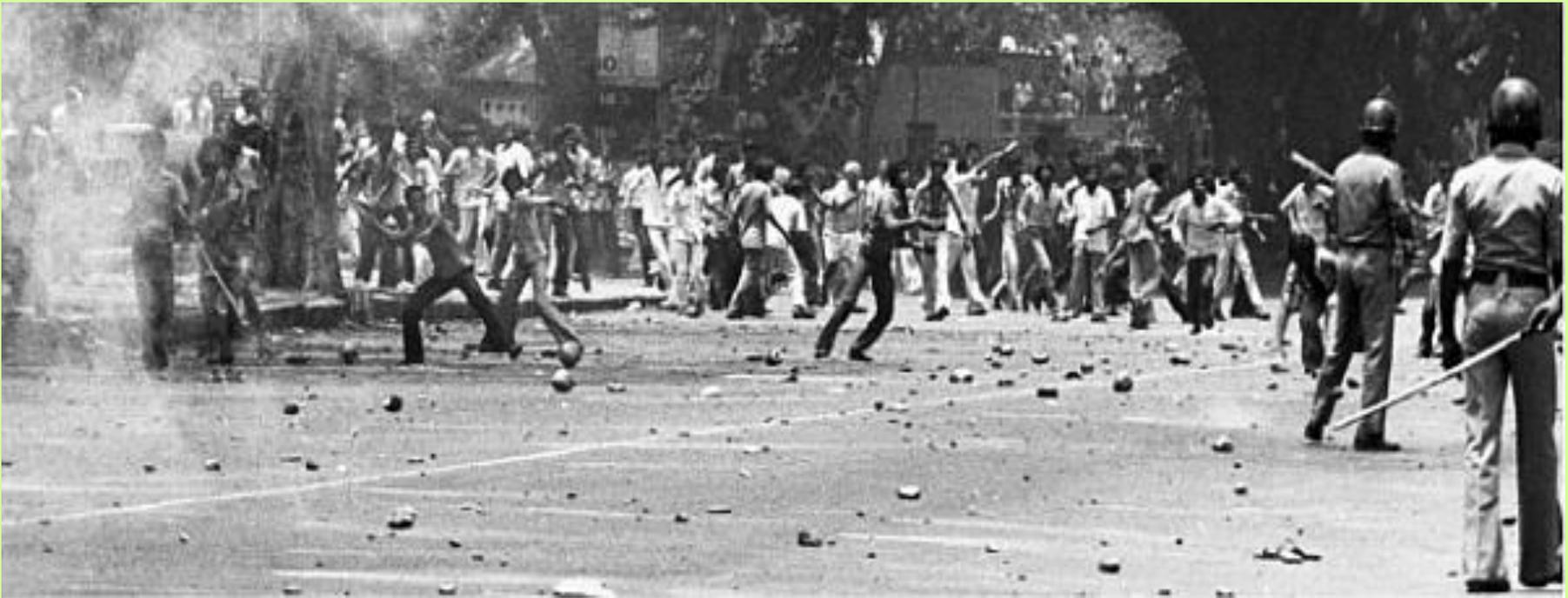
- The figures below reveal the number of people who come from Bangalore and those from outside:
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- Production Assistants: Total number – 138
- **Bangalore – 57 (Outside Bangalore-81)**
- 1. Mysore – 17; 2. Mandya – 9; 3. Udupi – 7
- Cleaners: Total number – 77
- **Bangalore – 41 (Outside Bangalore-36)**
- 1. Mysore – 14; 2. Tumkur – 9; 3. Udupi and Mandya – 4
- Set Associates: Total number – 42
- **Bangalore – 16 (Outside Bangalore-26)**
- 1. Hassan – 4; 2. Mysore and Tumkur – 3; 3. Kolar – 2, Udupi and Gadag – 2
- Costumers: Total number – 107
- **Bangalore – 45 (Outside Bangalore-50, Outside Karnataka-12)**
- 1. Mysore – 9; Hassan and Tumkur – 7; Kolar and Mandya – 3

# Migrant Economy

- The sample indicates that a greater number of the industry workers come from outside Bangalore (about 60% of the total workers), and this is notwithstanding the fact that many outsiders record a Bangalore address instead of their address of origin.
- Peasant Economy – 60s capital in production and 80s in employment

# Migrant Economy

- I show elsewhere that in the 1980s, it was these migrant workers who were in the forefront of articulating and lending force to one of massive Kannada identity movements called the Gokak movement.



Courtesy: The Hindu (above)  
[http://www.statemaster.com/encyclopedia/Dr.Rajkumar#For\\_the\\_cause\\_of\\_Kannada](http://www.statemaster.com/encyclopedia/Dr.Rajkumar#For_the_cause_of_Kannada) (left)

# Equivalence of Cultural and Economic value

- It can be seen that politics represent moments when the low economic value of the industry is compensated ensuring and accounting for the continued survival of the industry.
- In a context where culture industries have high cultural value but low (above-the-ground) economic value, politics enables a possible equivalence between the two.
- For instance, in the case of the Kannada film industry, articulations of Kannada identity (in the 1980s Gokak movt and earlier 1960s Kannada Chaluvali) have directly led to expansion of markets, increasing subsidy for the production, reserving exhibition or theatre space/time for Kannada cinema etc.

# Kannada Chaluvalli Effect

- As a consequence of the Kannada Chaluvalli a new market for Kannada films was created. Government orders were passed to the effect that licenses would be provided to theatres only if they rented out a minimum of eight months per year for Kannada films (Vijaya et al 1984).
- Unwritten law about how all theatres should open with a Kannada film (ibid., p.132).
- Premier studio owner Basavarajiah appealed to the Karnataka government to provide production subsidy that led to the Kannada industry's shift to Bangalore (132-133).

# Post Gokak: Market Expansion

- After the Gokak movement there was an expansion of the Kannada cinema market into parts of Karnataka that had hitherto not been considered as significant.
- Both the Hyderabad Karnataka and Mumbai Karnataka provinces that contributed merely 15% and 20% of the industry's income before the mid 1980s unlike the Mysore province that constituted 65% of the market, now increased manifold

# Post Gokak: Market Expansion

- The beginning of buyer-seller system or district-specific distribution system where instead of the three provinces, seven zones were created.
- Producers sources of revenue multiplied. Though there are no turnover figures available, specific examples or comments from the industry show this:
- *Chalisuva Modagalu* (1982) was one of the first instances of a Kannada film grossing at the box office in Belgaum
- Ravichandran's films in the mid-1980s found a new market in the Hyderabad and North Karnataka regions, "A centre which often had collections in thousands [before the 1980s] all of a sudden collected 2 ½ lakhs in my film."