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Alain Herscovici

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Abstract: The works carried out in the 1980s and 1990s in Cultural Economics were premonitory in the sense that they raised problems that are relevant to question, from an epistemological perspective, the hardcore of the main theoretical matrices, and to analyze the evolutions of current capitalism, especially with respect to the different types of intangible capital and the growing financialization of economies. In this article, I do not intend to analyze in detail the main theoretical debates that characterize the development of economic science. My aim, which is much more modest, is to show to what extent what has been considered to be the specificities of Cultural Economics allows us to contribute to these theoretical debates.

Keywords: cultural economics, substantial hypothesis, historicity, social relations, capital.

Introduction

In the 1970s, Jacques Attali, a French economist, wrote a particularly innovative book: *Bruits*. In this work, he defended the following thesis: the changes in musical aesthetics, in its modes of production and consumption, are premonitory in that they herald the most important sociological, political and economic changes in various capitalist societies.

The thesis I support in this paper is different: the problems specific to Cultural Economics herald and/or provide elements of answers to a series of theoretical debates specific to economics. The works carried out, in the 1980s and 1990s, in terms of Cultural Economics, were premonitory in the sense that they plotted problematics that are relevant to question, from an epistemological perspective, the hardcore of the main theoretical matrices, and to analyse the evolutions of current capitalism, mainly concerning the different types of intangible capital, the growing financialization of economies, and the nature of capital.

The seminal works of Bourdieu (1977, 1979), regarding the theory of cultural field production and the specificities of this economy, provide key elements to highlight the *intrinsic historicity of the concepts*, and to understand the recent evolutions linked to the development of different forms of intangible capital.

In a first part, I will show how, and to what extent, the different schools of thought adopt the *substantial hypothesis* and thus aim to elabourate an objective analysis of economic reality. I will explain the main mechanisms that characterize the Cultural Economics, and I will highlight the specificities of this economy; in this regard, I will highlight the explanatory limits of the main theoretical matrices, in relation to the specificities of Cultural Economics.

In a second part, I will show to what extent such approach prefigures the works related to 'relational economics', as developed by Akerlof (1970), Grossman and Stiglitz (1976), and allows to provide an alternative definition of the own object of Economics, as well as elements relative to two important debates in the History of Economic Thought: the famous Cambridge controversy concerning the nature of capital, and the analysis of financial markets.

Some preliminary methodological and epistemological considerations

There are several possible definitions of Culture; anthropology adopts a broad conception, in the sense that most human creations are the product of a particular culture: language, technique, for example (Lévi-Strauss 1987). I will limit my analysis to a narrower conception: I will define culture based on the goods and services that incorporate labour that is socially recognized as artistic: painting and fine arts, the performing arts, recorded and live music, book and magazine publishing, audiovisual production. This narrower definition makes it possible to identify specific economic sectors and to study the economics of these sectors as well as their specificities.

While, before the 1960s, culture was studied solely from its sociological and political dimension, after that date it became the object of study for economists from different schools of thought; due to the epistemological specificities of each of these schools, the very definition of the object of study and the results will be totally different. Based on Bourdieu's seminal works, I chose to implement an analysis that (a) incorporates historicity and (b) endogenizes the sociological variables linked to the strategy of the actors, both the components of supply and those of demand.

As a result of these epistemological choices, I decided to choose the works produced in the period 1960 - 1980 for the following reasons: most of the works produced after this period use a methodology that is incompatible with the one used in my paper. Bille (2024) uses the tools proper to welfare economics, along the lines of the works of Pigou, Musgrave and Samuelson. This approach is incompatible with the approach that guides my work, for the following reasons:

(a) It is a normative approach, the norm being pure and perfect competition and the Pareto optimum that corresponds to it (Herscovici 2023).

(b) Agents' preferences are exogenous: this means that the sociological and economic factors that determine these preferences are outside the field of study. In my work, on the other hand, based on the mechanisms developed by Bourdieu, these preferences are endogenous (Van den Berg 2012).

(c) Historicity is completely absent from these analyses. Based on this a-historical approach, it is possible to claim that there is a specifically cultural value, and that this value constitutes an intrinsic quality of cultural goods (Grampp 1987). This hypothesis is an explicit manifestation of the substantial hypothesis and is totally incompatible with the historicity of the fields of production highlighted by Bourdieu (1977).

(d) Finally, Bourdieu shows why, and according to what kind of modalities, the dynamics of cultural consumption are explained by a logic of social distinction and differentiation. Thus, from this perspective, and contrary to what Bille (2024, p.5) states, it is not possible to conceive culture as a factor that strengthens social cohesion.

These analyses use a theoretical framework that is totally incompatible with the one I have chosen for my work and, from my point of view, also incompatible with

Bourdieu's various contributions. Doyle (2013)'s work is situated in the same theoretical lineage. In Cultural Economics, a discipline that emerged in the 1960s, the following dichotomy can be observed: neoclassical economics, which studies cultural goods from a neoclassical hard core: Grampp (1987), Peacock (1984), Doyle (2013), Throsby et al. (2010); other heterodox approaches that have in common the incorporation of historicity into the analysis: Huet et al. (1978), Leroy (1980), Herscovici (1994). These two approaches are incompatible and *each corresponds to a different dichotomy between the exogenous and the endogenous variables*, i.e., to a specific definition of the object of study itself.

Neoclassical approaches consider preferences to be exogenous: this implies that the ways in which tastes are determined, in the sense used by Bourdieu, will not be analysed and are not part of the definition of the own object of study. On the other hand, several analyses stemming from this theoretical current consider that there is an intrinsic value to the cultural goods: this approach excludes the historical dimension from its investigation and thus contradicts the results that come from Bourdieu's analysis. It should also be noted that the maximization approaches favour the thesis that the interests of the different agents converge and thus show that the market of pure and perfect competition is the institution that allows social welfare to be maximized.

The other approaches, which I will describe as heterodox, define another theoretical cut between the economic and the 'extra-economic' variables and reintroduce history into the analysis, based on the following elements: preferences are at least partially determined by social structures (Bourdieu 1979); consequently, preferences are neither exogenous nor constant; it is a mediated manifestation of class conflicts. Similarly, based on the concept of the field of production and its dynamics, Bourdieu (1977) shows that the determination of the artistic value of a cultural good, and consequently its economic value, is essentially social and historical. This is a radical refutation of the substantial hypothesis. The paradigm used in my paper is like that of 'old institutionalism' as defined by Veblen (1898) and fits exactly into this second line of theory.

The substantial hypothesis and the pseudo-objectivity of economic science

A component proper to the different theoretical matrixes

Most analyses stemming from classical labour value economics and neoclassical economics are based on the implicit or explicit hypothesis that commodities or exchanged goods have an intrinsic value and/or qualities (Foucault 1966, Dumont 1985, Orléan 2011). The adoption of this hypothesis corresponds to the progressive autonomization of the field of economics, to a desire to 'objectify' economic science and to define its object. As far as Classical Economics is concerned, the rupture is definitive with Ricardo and Marx: Economic Science defines itself objectively, independently of subjective and moral judgments (Herscovici 2023).

Dumont (1985, p. 119) writes that Classical Economics 'tends to conceive the economic process as being rooted much more in a substance (production, labour) than in relations.' Orléan assimilates the construction of a theory of value to the substantial hypothesis: 'The economic tradition calls "value theory" those approaches that attempt to discover the secret of mercantile exchange in the hypothesis of a "substance" or quality that gives goods an intrinsic value' (Orléan 2011, p. 24). Value is an objective fact, which can be measured and quantified, independent of any subjective judgment and any social and historical specificity:

> Mercantile value in the way the economic tradition conceives it, is radically distinguished from other social, moral, aesthetic or religious values, by the fact that they present themselves as an objective and calculable magnitude, independent of the actors and their relations. (Orléan 2011, p. 52)

Besides the differences between the classical and neoclassical approaches, the main reference matrices elabourate an economy of magnitudes in which the historical and social dimensions are totally absent, with the exception of Ricardo and, obviously, Marx. Despite their insurmountable epistemological incompatibilities, both classical and neoclassical economics adopt the substantial hypothesis in different ways:

(a) as far as Classical Economics is concerned, labour constitutes the substance that defines the value of commodities, as noted by Foucault (1966), Dumont (1985) and Orléan (2011).

(b) Neoclassical economics recognizes that, since the works of Lancaster (1966), goods have intrinsic qualities. The price system disseminates all the information relating to these qualities; in this sense, this mechanism is objective. The subjective dimension is explained by the fact that the utility of the same quality differs according to the preferences of different consumers.

Such objectification can be defined from several dimensions. Economics is conceived as an autonomous science, as it has progressively managed to isolate, in the set of social productions, economic activities, which corresponds to the definition of its object of study. In parallel, Economic Science has emancipated itself from religion, moral and politics, in the sense that it excludes from its field of investigation the different value judgments:

(a) In Classical Economics, more specifically with Ricardo and Marx, economic value is defined from the direct and indirect quantities of labour. The natural price, or production price, is determined from these quantities of labour, and constitutes the value to which market prices converge.

(b) In Neoclassical Economics, which is based on the subjective theory of value, the preferences of agents are exogenous and constant. The homogeneity hypothesis is one of the characteristics of pure and perfect competition. Such hypothesis can be summarized by the following relationship:

$p = f(q)$, p as price, and q as quality, with $f' > 0$.

Thus, *quality is an intrinsic characteristic of the good or service* exchanged in the market, and prices provide the relevant information regarding this quality. There is no uncertainty with respect to quality (Stiglitz 1987); price allows one to evaluate this quality, contracts are complete, and the subjective theory of value relates to the subjective utility that each agent attributes to this quality (Lancaster 1966).

(c) Finally, the subject who performs the observation is, by nature, neutral: he is an impartial spectator who is able to discover the eternal 'truth' that characterizes the reality studied (Fournier, Rigal 2007, p. 3.)

In short, this conception of Economic Science wants to appear objective, in the sense that it is free of moral judgments, subjective by nature. This conception is related to the methodological determinism inherited from Kant, Descartes, and Leibniz (Herscovici 2022) and to the classical episteme defined by Foucault (1966). From such a perspective, the laws revealed by Economic Science are, by nature, universal, and reveal the fundamentals of human nature: in 'primitive' societies such as they were conceived by Smith (1776) and Ricardo (1821), the different tribes act as capitalists: hunters and fishermen maximize their product with exchange in mind. All works of anthropology and economic history have clearly shown that these so-called primitive societies are not regulated by such mercantile mechanisms (Godelier 1969, Braudel 1985). In this respect, it is important to differentiate Marx from Smith and Ricardo: on the one hand, Marx's (1859) critique of Smith and Ricardo is based on the refutation of human nature and its natural propensity to exchange. On the other hand, contrary to the position of Smith and Ricardo, the concept of a simple mercantile economy elabourated by Marx corresponds to a logical and not historical antecedence (Rubin 1928, p. 272).

The specificities of Cultural Economics

Autonomization of the cultural field and capitalism: the myth of the cursed poet

Works linked to economic history and economic anthropology (Dumont 1985; Foucault 1966) demonstrate that capitalist society is an inherently individualistic society, in contrast to holistic societies. The individual is regarded as an autonomous agent and is entitled to certain inalienable rights, including the rights of expression, religious freedom, and political freedom, among others. Conversely, the sociology of culture (Bourdieu 1977, Moulin 1983) demonstrates that the archetypal figure of the creator emerges and flourishes within the capitalist system. During the Middle Ages, most artistic creations were anonymous. The artistic product is not associated with an artistic individuality. It is noteworthy that Schumpeter draws a parallel between the innovator and the artist (1942, pp. 170–171). Copyright was gradually established during the 18th and 19th centuries. The progressive commercialization of artistic productions resulted in the generalization of these rights and a limited subsumption of artistic labour to capital (Herscovici 1994), due to the specific characteristics of these activities.

The autonomization of the cultural field is the result of the degeneration of the structures of the *Ancien Régime* and the development of capitalism. The autonomous individual is a product of these developments, with the emergence and historical development of capitalism. This is how the theory of art for art's sake emerges. The artist, as an individual creator, seeks to liberate himself from the political and religious powers of previous regimes, claiming his 'freedom of creation.' In the domain of artistic production, the criteria for legitimization are produced by the field's own rules, and not by rules established by external bodies. The value of the artist's work is determined by such rules. The legitimacy of the artist's work is contingent upon the assessment of their peers. Artistic value cannot be reduced to its commercial value.

In this context, the myth of the cursed poet is born, and the field of production that characterizes erudite culture develops. This formal game is an expression of pure Kantian taste, in opposition to 'vulgar' taste. This illustrates the origins of modern art and its apparent separation from other forms of social power. From a long-term historical perspective, it can be argued that, in a capitalist system, the social validation of artistic work is contingent upon its economic validation within the cultural marketplace. The paradox can be stated as follows: on the one hand, the creative artist asserts his freedom and autonomy, and on the other hand, this autonomy is threatened, or at least constrained, by economic validation.

Such paradox is analogous to that which arises in the political sphere, concerning the various ways in which democracy and individual rights can be defined. If capitalist society is unable to guarantee a basic level of social justice with regard to income distribution, the freedom of the individual who does not benefit from a minimum income is necessarily constrained. This limits their ability to exercise certain rights, particularly those pertaining to health and education. In this regard, Raymond Aron (1965) demonstrates that formal freedom, which corresponds to the inalienable rights of the individual, cannot be implemented without real freedom, in terms of material living conditions. Conversely, in authoritarian regimes, individuals may enjoy genuine autonomy but are nevertheless deprived of formal freedom with respect to political and religious rights (Herscovici 2024). A parallel can be drawn with the social condition of the artist, as the two cases examined here illustrate a fragile balance between these two forms of freedom.

The concept of production field

The concept of production field, in the sense defined by Bourdieu (1977), constitutes the starting point of these analyses. It is a social space that benefits from a relative autonomy, which allows it to create its own rules, specific modalities of legitimation and, consequently, of social validation. The agents that act in this field have to previously accumulate symbolic capital to reach a dominant position, to be able to convert this symbolic capital into economic capital. The formation of this symbolic capital determines the use value, by nature subjective, of cultural goods (Herscovici 1994). This use value depends on the decoding capacities of the different agents, that is, ultimately, on the social structures that determines these capacities, or cultural 'competencies.' The competition between the artistic producers operating in the field consists of a struggle to accumulate this symbolic capital, to acquire legitimacy and thus to dominate this social field.

The field of production is an intrinsically historical space. *The temporality of the field of production* can be described as follows: at a certain moment, certain producers aesthetically and economically dominate the field, producers that Bourdieu qualifies as classics. These classics are the artistic schools, or the producers, who have achieved a dominant position. The competition between artistic producers is translated by the entrance of new producers that, in a certain period, represent the vanguard: they are dominated, as they lack legitimacy. The temporalization of the field appears from the following mechanism: the vanguard begins to acquire some legitimacy, and it will progressively replace and eliminate the classics. The vanguard becomes classical, the old classics are expelled, and a new vanguard appears. The succession of artistic schools and artistic producers provokes this kind of movement.

There is no intrinsic quality of the goods, that is, cultural goods have no intrinsic value, either in their cultural and aesthetic dimension or in their economic dimension. This value changes over time, according to the temporality of the production field. *This historicity is a manifestation of Van Gogh's paradox* (Herscovici 2014). The question can be formulated as follows: what is the economic value of a Van Gogh´s painting? This value ranges from zero to infinity: during his lifetime, Van Gogh did not sell any paintings, while nowadays, the value of these works is particularly high, as the result of an intense international speculation.

Cultural good and economic theories

What is the economic value of a Van Gogh painting? Economic theories are unable to provide elements of an answer. Regarding Classical Economics, value cannot be explained from the labour theory of value, i.e., from the quantities of labour required for its production. More generally, Classical Economics rejects use value as its field of investigation. Ricardo (1821) makes explicit the fact that his theory of value does not apply to specific goods whose production cannot be increased from increased quantities of labour, which is the case with cultural goods:

> Some goods have their value determined only by their scarcity. No labour can increase the quantity of such goods (...). Their value is totally independent of the amount of labour originally required to produce them and fluctuates with changing wealth and preferences of those who wish to own them.' (Ricardo 1821, pp. 43-4)

Marx (1894) also excludes use value from his investigation, stating that the use value of the commodity depends on its intrinsic properties. Use value constitutes a precondition for the formation of exchange value, and exchange value is determined from a quantity of abstract (homogeneous) labour. Marx shows that the law of value, in the capitalist system, transforms concrete labour, which determines use value, into abstract (or socially necessary) labour, this abstract labour determining exchange value (Herscovici 1994).

The economic specificity of cultural goods manifests itself in the following way: *cultural goods are valued according to the concrete labour applied in their production*, that is, according to the legitimacy of the cultural producer, at a given time. There is no transformation of concrete labour into abstract labour, and the law of value linked to labour value ceases to be explanatory; the value of these goods is determined independently of the quantities of labour required for their production. On the other hand, and for distinct reasons, Neoclassical Economics also fails to explain this Van Gogh´s paradox. Within the methodological individualism that constitutes one of the main components of this theoretical matrix, the interdependence between the different agents is ignored: each agent makes its decisions independently of the other agents, and the Walrasian auctioneer, from a process of *tâtonnement*, coordinates the multitude of individual decisions (Orléan 2011): preferences are exogeneous.

The dynamics of the production field, the way it has been defined by Bourdieu, is incompatible with methodological individualism: cultural consumption is defined from a logic of social distinction (Bourdieu 1979), which is incompatible with the foundations of methodological individualism. On the other hand, competition between diverse cultural producers is translated by a logic of differentiation: the avant-garde is defined in opposition to the classics, erudite art in opposition to popular art, etc. The concrete modalities of competition are intrinsically relational, in function of this logic of differentiation.

It is necessary to emphasize the *intrinsically random character of the economic valuation of cultural goods*. In the framework of classical theory, the natural price (Smith and Ricardo), or the production price (Marx), represents a regulator: it is the value by which the market price necessarily converges. This natural price is determined from the quantities of labour (Smith 1776). However, this regulatory price does not exist in the economy of the cultural sector; *in the absence of such a regulator*, the value of cultural goods is particularly unstable, which accounts for the speculative dimension of these markets. In Ricardo's (op. cit.) words, the value depends on the random and volatile tastes that characterize this type of demand. From a Marxian perspective, cultural goods correspond to fictitious capital: such capital has a price, because it is traded on the market, but it has no value, in the sense that its market value is not determined by the quantity of abstract labour; this relates to the different forms of self-destruction of the law of value evoked by Marx in the Grundisse (1939).

As far as neoclassical theory is concerned, the profit maximization of the producer is characterized by the equalization between marginal cost and marginal product. This assumes that the economic universe is ergodic, i.e., that producers are able to evaluate, ex-ante, the marginal product. Given the random character of the valuation of cultural goods, it is impossible to evaluate this marginal product. Here also, the equalization between marginal cost and marginal product cannot be realized, which translates into the instability of this value. The absence of a regulating value, a 'strange attractor' towards which market prices would converge, makes these markets characterized by a very pronounced instability, which favours the emergence and development of highly speculative behaviours. Value is highly volatile, and it is the product of social relations within the production field; *this value fluctuates as these social relations change over time.*

The modes of remuneration of labour have been established according to this random valuation: in most cases, artistic labour is not remunerated in the form of wages. The performer is remunerated only for the performance provided, regardless of the labour provided outside this performance. There is thus a partial externalization of labour power, a 'reserve army' whose reproduction is not assured by the firms. Remuneration of labour is conceived as the intellectual property rights, that is, as a function of random revenues.

On the other hand, because of the specificity, that is, the uniqueness of the labour and the product of the labour of the artistic producer, the artistic producer occupies a monopoly position, a socially and economically constructed monopoly. In his early works, Bourdieu (1977) qualifies the various artistic entrepreneurs, journalists, critics, etc., as symbolic bankers: they enable the implementation of the symbolic accumulation necessary for subsequent economic validation. The artists, i.e., the apparent producers, thus occupy a monopoly position: should they succeed, they recover part of the monopoly income thus created.

Finally, there is an opacity of the price system, because these prices do not reveal the qualitative components. This quality is essentially subjective and historical. It cannot be evaluated from objective criteria. In any case, competition among artistic producers is implemented outside of prices, from an aesthetic and/or mediatic logic (Herscovici 1994). The speculative dimension makes quality dependent on price; a high price corresponds, according to a logic of social distinction, to an increase in demand. This is an ostentatious consumption; in the fine arts, for example, the production of limited series reflects this logic, scarcity maintaining the effects of social distinction inherent to cultural consumption. Nevertheless, the myth of the cursed artist translates the opposite trend: the absence of mercantile value would be the proof of the aesthetic value of the work.

From Cultural Economics to 'relational economy'

Contemporary capitalism is characterized by the development of several types of intangible capitals: finance, in its speculative dimension, firms operating in the area of information technology, play a growing role in contemporary economies. Regarding finance, mainstream economics tries to maintain the substantial hypothesis: these analyses deny the existence of financial speculation (Fama 1988), as well as information asymmetries, claiming that the value of financial securities converges to their *fundamental value*. Neoclassical economists interpret internet economics as a concretization of Walrasian competition and claim, for example, that the performance of Big data is a neutral tool whose purpose is only to learn more about individuals' preferences (Varian 2013).

The refutation of the substantial hypothesis

The theoretical matrices that adopt the substantial hypothesis are no longer able to explain the mechanisms governing the current Google Economy: this economy is essentially 'relational' , due to the modalities of social use value formation: the demand externalities that characterize this network economy (Katz and Shapiro 1985) clearly show that the use value necessary for the economic valuation of services depends directly on the relationships between consumers/users; on the other hand, the information produced by users is subsequently collected, codified, and traded in big data markets: creation and expansion of advertising markets, exploitation and sales of data used for political and/or economic purposes (Herscovici 2021a). In summary, *social relations constitute the central* *element of this Economy*: an economy of relations progressively replaces an economy of magnitudes. In this economy, the value created is directly determined by audiences, that is, by the creation of networks of users (and the externalities that correspond to this type of structure), and by the exploitation of the data collected by digital platforms.

It is no longer possible to determine 'objectively' the value thus created, nor to claim that this value is an intrinsic characteristic of the goods and services produced. This value is particularly unstable and determined by particularly versatile social relations. In this relational economy, no good or service has an intrinsic value: this value is determined from the prevailing social relations. This brings us back again to the theoretical problem of value and Van Gogh's paradox; economic theories are unable to provide elements of an answer.

The answer is found in the sociological analysis of the field of artistic production: value can only be defined, at a given historical moment, as a function of the power relations that characterize the field, and depends on its symbolic value, that is, on the position of the producer in that field (Bourdieu 1977). *A symbolic good has no intrinsic value, but this value changes over time, depending on the evolution of power relations within the field.* In this sense, the works linked to the Economy and Sociology of Culture were premonitory: the sociological and economic mechanisms that characterized cultural productions were specific and limited to this sector. Nevertheless, with the developments of the different forms of intangible capital, they generalized to most economic activities, including speculative finance and social networks.

Economy of culture and relational economics

The concept of relational economy was first elaborated by Keynes, with respect to financial speculation, and systematically developed by Stiglitz (1987), in the context of the Information Economy. Without going into the details of this author's analysis, I want to highlight the fundamental mechanisms of this analysis.

Quality is not an intrinsic characteristic of goods and services. The efficiency wage theory clearly shows that the quality of labour depends directly on the price, i.e., the wage; when the price increases, the quality also increases.

Lancaster (1966) considers that the competitive price system is a reliable signal for providing information about the objective characteristics of goods; this is the objective dimension; the characteristics constitute an intrinsic feature of goods. The subjective dimension manifests itself regarding individual preferences: the same characteristic corresponds to different levels of utility, depending on the diversity of individual preferences. The goods are merely the material or immaterial supports of the utilities exchanged in the market. From this perspective, the social, historical and relational dimensions are considered exogenous. However, any market presupposes the existence of certain conventions, that is, implicit or explicit rules, in order to exist and function concretely. *The market cannot exist without prior socialization*, language being the most obvious example; the concrete existence of the market implies the prior existence of common knowledge (Arrow 1986).

In the presence of information asymmetries, prices fail to disclose all information regarding these qualities (Akerlof 1970). The same type of observation can be made regarding quality in its subjective dimension: in the model of Grossman and Stiglitz (1976), the same price variation will be interpreted differently by different groups of agents. The fact that these authors thus refute the postulate of homogeneity means that quality no longer constitutes an intrinsic characteristic of goods, that is, that *quality is no longer an exogenous variable*. The efficiency wage theory clearly shows that the quality of labour is an endogenous variable, due to the fact that it depends directly on the price, i.e., the wage.

In the neoclassical model, information is one-dimensional: a prior social convention determines, before agents act, the quality of goods. Under these conditions, the postulate of homogeneity is verified: quality no longer depends on inter-individual relations, and competitive prices allow us to know, ex-ante, the qualitative components of these goods. The seminal works that studied and defined the specificities of cultural goods (a) allowed to question the pertinence of the tools elaborated by the different theoretical matrices, the very definition of the economic universe and the object of study; (b) provided particularly adequate elements to analyse the intangible economy and all the forms of intangible capital linked to it; and (c) posed again, after the Cambridge controversy, the problem linked to the aggregation of heterogeneous capitals.

The definition of the object: scarcity

The very definition of the object of study of economics shows that there is no consensus regarding the own definition of the field of investigation of this Science. Robbins (1945, p. 83) defines the object of economic science as the efficient allocation of scarce resources with alternative uses: 'Economics is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses.' This object is constituted by scarce means that must be rationally allocated, that is, from the maximization of certain objective functions. For neoclassical economics, this scarcity is natural, that is, devoid of any historical component. This feature is justified from the substantial hypothesis. In the construction of aggregate production functions, of the Cobb-Douglas type, the scarcity of production factors is evaluated based on the ratios between the amount of capital and the amount of labour; this assessment in terms of quantity presents itself as the most obvious expression of the universalization of analysis, its 'objectivity' and its scientific status.

In Ricardo's analysis of differential rent, on the contrary, the scarcity of the best quality land causes the appearance and increase of the relative share of land rent, and the fall of the relative share of profit. The cause of this mechanism lies in the 'development of society and wealth' (Ricardo 1821, p. 97), a development that directly translates into an increase in the demand for wheat. As Sraffa wrote (1925, p. 37): 'The characterization of the Ricardian theory, acknowledged by us as fundamental, i.e., assigns an economic cause rather than a physical cause to the diminishing productivity (...)'. Ricardo's analysis incorporates this historical dimension: scarcity is, by nature, social and historical, while it is conceived as a natural fact, in neoclassical analysis. For similar reasons, it is possible to state that both Marx and Keynes conceive scarcity as a social fact, not a natural one.

We can observe *a frontal opposition between schools that incorporate this historical dimension and those that refute it in the name of universalism* (Bharadwaj, Schefold 2017, p. 24). The analysis in terms of episteme (Foucault 1966) aims to highlight the historicity of different systems of thought and, consequently, their relativity. The refutation of the intrinsic value of goods hypothesis, i.e., the substantial hypothesis, constitutes one of the foundations of the Cultural Economics: this value depends on its scarcity, and this scarcity on the symbolic accumulation carried out by the different artistic producers. This scarcity is translated by a monopoly rent, of which the artistic producer can take advantage. The dynamics of the field of artistic productions allows us to state unambiguously that scarcity, the foundation of the aesthetic and economic value of goods, is not an intrinsic characteristic of the goods; it *is the product of the social relations* that, at a certain period, characterize the social field studied. In this sense, it is, by nature, historical.

The uncertainty concerning quality: artistic goods and financial speculation

The postulate of homogeneity constitutes one of the plunders of standard neoclassical economics: prices provide all information concerning the quality of goods and services. In this sense, the price system is transparent. As far as cultural goods are concerned, prices do not reveal the qualities of the goods, and this for the following reason: prior symbolic appropriation, appropriation which determines utility, depends on the categories of perception proper to different social groups, and to the social distinction mechanisms between these different groups. Establishing a parallel with Stiglitz's and Grossman and Stiglitz's analyses, it is possible to state that price imperfections exist (a) because prices do not provide reliable information about artistic quality; (b) because these goods are subject to differentiated evaluations by different consumer groups. From this perspective, the existence of information imperfections necessarily translates into information asymmetries, these asymmetries being incompatible with the efficient market hypothesis (Grossman and Stiglitz 1976).

I will now draw a parallel between these cultural markets and financial markets. In all these cases, the problem concerning the determination of value and the modes of regulation of these markets arises.

As far as finance is concerned, we are in the presence of two theses: mainstream economists (Fama 1998, Tirole 2016) deny the existence of financial speculation and information asymmetries. The price system *instantly* provides all the information needed by all agents to predict the return of the financial asset. The fundamental (real) value of the asset is defined as ‘the expected earnings in terms of dividend, updated by the current interest rate. These dividends depend on the profits realized by the company in the real sphere' (Tirole 2016); this fundamental value represents the intrinsic quality of the financial asset.

Market regulation is explained as follows: when the deviation between the market value and the fundamental value exceeds certain limits, the bubble bursts, and this real value converges back to the fundamental value. The fundamental value thus represents the market regulator, a regulator that is determined in the real sphere (Herscovici 2019). In this case, *quality is an intrinsic characteristic of the asset* that allows the market to be regulated, limiting the amplitude of fluctuations and nullifying the possibilities of speculation.

Keynes (1936), in the General Theory, proposes an alternative explanation: first, he refutes the existence of a fundamental value and, contrary to the mainstream analyses, explains the mechanisms inherent to financial speculation. Starting from the parable of the beauty contest, he shows that (a) value is fluctuating and determined from a cumulative mechanism of self-fulfilling prophecies; (b) such cumulative mechanisms are explained from the relationships between the different groups of agents; (c) information asymmetries exist as speculators guess, before the general public, the evolution of demand (Herscovici 2019).

The endogenous dynamic is as follows: in a first moment, speculators buy a financial asset, according to their expectations of return. The public interprets this price increase as an increase in the return expectations of the asset, which causes an increase in demand. This cumulative dynamic acts until the crisis and recession; at this stage, the same mechanisms act in the opposite direction. These mechanisms are the same as those observed by Cultural Economics:

(a) There is no intrinsic value of the goods exchanged in the market; *this value is endogenous and determined by the relations between agents.*

(b) There are information asymmetries as the same price variation leads to different expectations formulated by different groups of agents.

(c) Competitive prices are not able to regulate the market, much less maximize its social efficiency. Speculators buy the security when its value is still low and resell it when its value has increased; but this value has increased due to the increase in demand from the general public. Speculators thus realize financial capital gains. The loss of the public, due to information asymmetries, is explained by the fact that they buy the security when its value has already increased and resell it when its value has already decreased.

The nature of capital

Cultural goods are by nature heterogeneous, and this heterogeneity depends on the specificities of the labour applied in their production. This allows us to question the analytical categories elaborated by the different reference matrices.

Labour cannot be considered as a homogeneous factor of production. Contrary to the assumptions used by Baumol and Bowen (1967), in their model of unbalanced development, it is not possible to construct a production function that has the following form:

$Y = f(L)$, Y as the output and L as the amount of labour used.

The aggregation that makes it possible to express L and Y implies that labour and the product of this labour are homogeneous. And, precisely regarding cultural goods, the specificities of the labour applied in the production process are translated by the specificity of the goods produced. Given the intrinsic heterogeneity of labour and product, it is impossible to aggregate, in quantities, both inputs and the outputs. Any attempt to aggregate components that have different qualities makes it necessary to express these different components in a common unit of measurement: from an economic perspective, this common unit would be the economic value, that is, the market value. Once again, Van Gogh's paradox arises.

Today, this problem resurfaces, concretely, in relation to all intangible assets: patents, trademarks, intellectual property rights: how to determine their value? There is no objective criterion from which this value would be determined. In the case of the Google Economy (Herscovici 2021a), the economic value is determined from the social utility of the network, that is, from the number of users. This value is particularly unstable, and it is determined by the social relations that constitute the foundation of this network; thus, the value is not constant over time, it changes according to the evolution of social relations that characterize the network. The very concept of 'relational' economy, as elaborated by Stiglitz

(Herscovici 2019), highlights the preponderant role of social relations in determining the economic value of immaterial goods and services.

We find, in a slightly different form, a problematic similar to that which emerged in the 1960s with the Cambridge controversy, which leads to the refutation of the Cobb-Douglas production functions and the main hypotheses adopted:

a) The value of an aggregate quantity of capital cannot be constant; it varies as social relations change, i.e., as distributive variables change. This leads to refuting the entire architecture of neoclassical macroeconomics (Hercovici 2021b).

b) The law of decreasing marginal factor productivity is not verified: the production of intangible capital (research and development, human capital) is a cumulative process: the growth rate of output depends directly on the initial stock (Romer 1986, Nelson 2003).

c) Similarly, for the different components of demand, marginal utility is not decreasing: due to the intrinsic heterogeneity of goods, this marginal utility is increasing.

As a result of these economic specificities, the modalities of income distribution between capital and labour have changed radically:

a) Contrary to the Walrasian concept of *service producteur*, or the remuneration of the factors of production according to their respective contributions to the product (Clark 1891), it is not possible to associate a given income with an aggregate quantity of labour: in the case of cultural goods and, more generally, immaterial goods (information, scientific production, technological innovations), it is impossible to reason from a homogeneous quantity of labour. The same observation applies to capital.

b) More concretely, the remuneration of labour is not on a wage basis, but it is externalized. Regarding intellectual property system, the producer of the immaterial good, according to the specificities of his labour, receives a part of the revenues that come from his monopoly rent. There is *both a partial externalization* of labour and a sharing of the risk inherent in the random valuation of these goods and services. On the one hand, this mechanism benefits the producers who have the greatest legitimacy: reputation of the company, 'fame' of the artist, scientist or lawyer, and so on. Such mechanism is also employed in services activities, when labour is low-skilled: this contributes to the precarization of certain segments of the labour market, regarding low-skilled jobs and goods and services with little added value: uberization illustrates this perfectly.

c) Finally, to this heterogenization of goods and services corresponds a high instability, notably with the formation of speculative bubbles (in the 2000s, the bubble of the .com companies). The partial externalization of the labour force has to be interpreted as a modification of the nature of the modes of remuneration: faced with growing instability, labour becomes a variable cost for the companies that use this input.

Final remarks

Until the 1960s, culture was essentially the object of sociological or aesthetic analyses, ignoring the economic dimension proper to this type of production; then, economic analyses of this sector were developed. However, the explanatory value of these analyses was limited to this sector. Today, the issues addressed by Cultural Economics are related to an increasingly important part of social production activities, those linked to the Internet, social networks, and the development of all forms of intangible capital, especially financial speculation.

These problems also provide relevant elements for participating in the theoretical debates that characterize the evolution of economic science, and the main epistemological questions arising from these evolutions. In this sense, the works linked to Cultural Economics were doubly premonitory. Likewise, they allow to question the scientific pertinence of the different paradigms in force in economic science, to broaden the reflection concerning the nature of capital and its modalities of valorisation, and to redefine the dichotomy between endogenous and exogeneous variables.

Conflict of Interest Statement

The author declares that there is no conflict of interest.

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Alain Herscovici is Full Professor in the Department of Economics, Post-Graduate Program in Economics, Federal University of Espírito Santo, Vitória (Brazil) (alhersco.vix@terra.com.br).