Creative Class or Administrative Class? On Advertising and the ‘Underground’

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abstract

This article offers an alternative to Richard Florida’s theory of the creative class. Departing form a study of contemporary practices within the Copenhagen advertising industry, I argue that the salaried advertising professionals that fit Florida’s definition of the creative class are not the primary producers of creativity. Rather they owe their class position to their ability to poach and appropriate creativity produced elsewhere, in networks of (mostly) unsalaried immaterial production that unfold in the urban environment. In my study, the creative content of advertising was mostly produced by this ‘creative proletariat’, while salaried advertising professionals mostly functioned as a sort of administrative class of the creative economy. Their task was to connect these forms of (relatively) autonomous creative production to the value-circuits of the capitalist economy. Thus, my contribution here is to propose a different model of the interaction between the creative industries and the urban environment, namely one which emphasises the contribution of the unpaid ‘mass intellectuality’ of the urban arts, design, music and fashion scenes.

Lately there has been a lot of emphasis on the city as a positive externality for the culture and creative industries. The most influential text in this respect is perhaps Richard Florida’s The Rise of the Creative Class (2002). Florida’s chief argument is that the urban environment can be an important factor in attracting the creative ‘talent’ that drives the increasingly central immaterial activities of technological, cultural and social innovation. He describes this talent as a new creative class, defined by its unique skills in immaterial production and innovation. Florida makes an ambitious general claim with somewhat sweeping policy implications: given that the creative class now makes up what he estimates to be the most productive and promising 30 per cent of the US economy, building an urban environment attractive to the creative class becomes a standard recipe for contemporary urban development. While Florida’s emphasis on the role of creativity in the contemporary economy overall has run into much general criticism (cf. Glaeser 2004, Peck, 2005), it retains its validity in the case of advertising. After all ‘creativity’, the “creation of meaningful new forms”, as Florida (2002: 8) defines it, is what these industries engage in. Here however Florida’s argument runs into a different difficulty. In his version, the creative class, a particular group of uniquely talented individuals, are the sole producers of creativity. This might have been true in the 1980s, when advertising agencies relied exclusively on their own employees to produce advertisements. But as we shall see below, that model is less applicable...
today. Instead, in the growing event-marketing sector that this article will focus on, it appears that creativity is mostly produced outside of the advertising agency or ‘event bureau’ itself: in relatively autonomous forms of social cooperation that unfold in the urban environment.¹

The real productive force becomes not so much the creative class of art directors and advertising executives, but the mostly unemployed ‘mass intellectuality’ (Virno, 2004) of the urban arts, design, music and fashion scenes. At least in the case of event-marketing (but increasingly advertising in general) it is this creative proletariat that stands for an important part of the value-added of creative production.

The purpose of this article is to suggest a different model of the interaction between the creative industries and the urban environment. I build my argument on a study of the expanding event bureau sector in the Copenhagen advertising industry and centre it on Project Fox, a spectacular marketing event for Volkswagen’s Fox model that took place in April 2005.² In the case of Project Fox, the urban environment was not simply an attractive perk, but unsalaried processes of productive cooperation – what I call the ‘underground’ – that unfold in the urban environment were the most important productive source of the kinds of creativity subsequently valorized by the culture industries. The creative class in Florida’s definition, employed professionals in the culture industries, did not so much produce creativity in as much as they were in a position to appropriate and valorize the creativity produced by the underground. Whilst the case study explored in this paper is limited in its focus, structural developments within the culture industry described in the conclusion suggest that the model described here is growing in influence and importance. Consequently, the purpose of this text is not to try to vindicate Florida’s thesis, but rather to propose an empirically grounded alternative model that I suggest can be substantiated by further research.

Project Fox

In April 2005 Volkswagen located the European launch of its new Fox model to Copenhagen. Instead of giving visiting motor journalists the standard treatment of five star hotels with commensurate wining and dining, Volkswagen (or rather the event bureau that coordinated the affair) decided to do something different. Project Fox, as the event was called, lasted for twenty days and involved three locations: a hotel, a

¹ An ‘event bureau’ is a relatively new structure in the advertising industry. Its task is to organize events and happenings that stage the encounter between people and commodities in the live commercial environment. This can be everything form posh launch parties through exhibitions and sport competitions to supermarket demonstrations. The idea is to use events in order to trigger viral and word of mouth campaigns that use people’s ordinary mediated communication networks as marketing vehicles, see for example Tripodi & Sutherland (2000).

² This study builds on 25 interviews conducted by myself and Sandra Brovall among Copenhagen advertising professionals (with a particular focus on event marketing bureaus) and artists, DJs and other cultural producers who participated in the 2005 Project Fox event. The results are tentative and will be further developed in a collective research project titled, The Creative City, organized jointly by the department of Media Studies at the University of Copenhagen and the think tank Kesera (see www.kesera.org).
combined restaurant and club, and a studio. The common theme was the attempt to convey the experience of the creative urban ‘underground’ for which Copenhagen had become famous (by featuring on the cover of *Wallpaper* magazine, among other things3). This strategy aimed to “authentically address and directly involve a target group new to VW”4 (namely the junior members of Florida’s creative class). The hotel, Hotel Fox, originally an old and rather dull three star hotel in central Copenhagen was redecorated by 21 young artists from across Europe, recruited in art schools and invited by MTV Germany. They were to create “the world’s most exciting and creative lifestyle hotel”5. The club, Club Fox, featured the anarchistic cooking of Stephan Marquart, “one of the most cutting-edge and rebellious chefs in Germany”.6 After dinner, journalists entered the club area where different local DJ crews hosted club nights with events and performances and, importantly, brought their friends. The club was open to the public so that visiting journalists could “blend with the car’s target group on its own turf”7. Finally, Studio Fox was where journalists picked up cars for their test drives. At the same time they and the general public could “witness the artists transform Fox cars into unique mobile works of art” and listen to lectures and debates on the cooperation between business and culture. All in all, “the primary focus of Project Fox was not on the car itself, but on young people and their preferences within art, music and culture. Therefore we built an entire universe that embraced and blended journalists and the young urban generation”8, thus attempting to “successfully abolish the boundaries between the organizers and the target groups”.9 More than anything else, the project sought to convey the experience of a particular form of life.

Project Fox is a good example of what is generally known as ‘event marketing’. The purpose of this strategy is to go beyond mere advertising to create an authentic experience of the product; to stage the encounter between consumers and products in ways that involve a much wider affective register. This is done in order to spark of a number of ‘viral’ communicative networks that are able to generate and sustain a media buzz. Event marketing entails *working with* the autonomous communicative productivity of the public (in Gabriel Tarde’s [1904, cf. Lazzarato, 1997] sense of that term), rather than trying to override it through advertising and propaganda. Project Fox was rather singular to the Danish context in its ambition and scope. Indeed it was primarily aimed at an international audience. (Due to Danish tax legislation the Fox car is far too expensive for the domestic target group). Nevertheless it built upon the established practice of appropriating the creativity of a particular social group – the local ‘underground scene’ in this case, and in other examples, the ‘urban gay community’ in the case of Absolute Vodka, the ‘Ghetto’ in the case of Nike, or the

3 *Wallpaper*, ‘the most authoritative and influential design magazine in the world’ (www.wallpaper.com) now also publishes its own city guides that cater to the more discerning members of the creative class.
British club scene in the case of Red Bull – and using that as marketing vehicle able to convey authenticity and ‘buzz’. In other words, the production of the (increasingly important) immaterial values that would presumably make the Volkswagen Fox attractive to its hip and savvy target audience, builds directly on the ability to appropriate the fruits of autonomous networks of communication and interaction that transpire in the urban context. The social life of the metropolis becomes a productive externality in its own right, a source of ‘free labour’ (Terranova, 2004 – ‘free’ both in the sense of being unpaid and in the sense of being impossible to command). But how is this positive externality produced, and how does its production relate to other aspects of the ‘information society’ or ‘experience economy’, such as the heightened mediatization of social practice, new forms of social cooperation and the ‘real subsumption’ of culture and communication that mark informational capitalism in general (Arvidsson, 2006, Dyer-Witheford, 1999, Jameson, 1991)?

**Advertising in an Informational Culture**

The systematic recourse to the free labour of consumers and other members of the public is no novelty. Already Tessa Morris-Suzuki (1997) identified this as an emerging core principle of ‘Capitalism in the computer age’. Studying Japanese car manufacturing firms in the 1980s, she concluded that the automation of production and the impact of information technologies made “the direct exploitation of labour [...] less important as a source of profit and the private exploitation of social knowledge [...] more important” (Morris-Suzuki, 1997: 64). Today even mainstream established corporate actors like Lego and Procter & Gamble resort to this principle as they outsource large parts of their research and development activities to the creativity of consumers (Huston & Sakkab, 2006). This principle also lies behind the present massive productive developments known as ‘Web 2.0’ (see Cote and Pybus, this issue). The increasing recourse to the productive externality of socialized creativity is the effect of two interconnected developments (both part of the general development of the productive forces facilitated by new information and communication technologies-ICTs): the massification of production and the massification of intellect. The massification of production refers to the tendency towards standardization and increased reproducibility that marks the capitalist production of culture. In the case of the culture industries, Benjamin (1982[1955]) and Horkheimer & Adorno (1942) saw this tendency at work already in the 1930s. Advertisements, Hollywood films, pop music and soaps are produced according to the same standardized format, thus becoming increasingly similar. What Horkheimer & Adorno did not see was that this standardization and increasing similarity also diminishes the use-value of such cultural products, their ability to mobilize attention. They tend to recede from the consciousness of viewers and become a sort of background noise. (Indeed, from the 1960s and onwards the advertising industry has been complaining that “people no longer care about advertising”, cf. Arvidsson, 2006). As in the 1930s, this leads to an intensified quest for ‘authenticity’ (Adorno, 2003 [1964]- although today this quest is expressed through the market, rather than through more or less totalitarian forms of aesthetic politics). The demand for ‘authenticity’ now means a demand for cultural products that are ‘genuine’, craft-made, or at any rate produced outside of the standardized schemes of the culture
industry. Precisely because of this, such cultural products have a higher use-value as attention generating vehicles. Such ‘genuine’ cultural products stand out, fascinate and create the affective intensities that are necessary in order to open up a channel of communication within what Tiziana Terranova refers to as the background noise of an informational, or network culture (Boyle, 2003, Terranova, 2004).

In an informational culture marked by almost infinite reproducibility, media culture thus tends to loose its grip over meaning (cf. Lash, 2002). It is no longer able to command anything but the partial attention of its audience, much less provide it with a meaningful and coherent worldview. Instead it recedes into the background, losing its control over the practices in which meaning and affect are constructed. Media culture thus becomes a sort of white noise, a noisy environment for the more or less autonomous production of a common social world of shared symbols, ethically relevant social relations and common affective intensities. That media culture recedes into the background of the attention horizon of the average actor means that the intellectual capacities of the mass – ‘mass intellectuality’, to use Paolo Virno’s (2004) term – are activated. If it was once enough to follow the guidelines of advertising, women’s magazines and Hollywood movies in order to consume successfully (cf. de Grazia, 2005), that is no longer true today. The use value of these products as instruction manuals for successful consumption has diminished to the extent that you now have to think for yourself (To follow fashion is not cool!). This mass intellectuality has been further empowered by the sociological and technological reorganization of life that has been the direct consequence of the socialization of capital in the form of media culture and new ICTs. This “capitalist dispersal of the social” (Dyer-Witheford, 1999: 85) has shifted old networks of communication and meaning-making (‘community’, ‘tradition’, ‘values’) and enabled new and different ones to emerge. In turn, this has enhanced the autonomy and productivity, the mass intellectuality, of what Hardt and Negri (2004) call the ‘multitude’.

This situation means that on the one hand, standardization and almost infinite reproducibility diminishes the value of what can be produced with the means of production at the direct command of the culture industries. On the other hand, these industries confront a flowering productive externality in the form of the technologically empowered mass intellectuality of the multitude. Precisely because this externality has autonomy in relation to capital, it provides a tempting source of innovation, rejuvenation and creativity for the system, the very standardizing logic of which tends to eliminate such results a priori. In the most advanced factions of immaterial production users are indeed in charge (to use the motto of the present Web 2.0 movement), their agency creates the kinds of products that have the greatest use-value for the capitalist system.

Event Bureaus and the Proletarization of Advertising

For the Copenhagen advertising industry the consequences of this dual pressure of standardisation and autonomous production, have been a general proletarization of advertising, and a subsequent reorganization of the industry. The proletarization of
advertising results from three distinct but inter-related tendencies. First, there has been a massive increase and diversification of the amount of advertising space available. This has resulted in a diminishing efficiency of advertising as a marketing vehicle, in Denmark as well as internationally (cf. Ritchie, 1995). According to most advertising creatives that I interviewed, the general perception is that consumers are growing weary of advertising and television spots. Second, the rise of specialized media bureaus has removed most media buying activities from the control of advertising agencies. In 1985 media bureaus controlled 35 per cent of the turn-over of the Danish advertising market, and in 2003 the figure was 93 per cent, according to the statistics of the Danish association of advertising agencies, DRRB.10 This shift of power has meant that advertising agencies have lost a significant source of income and thereby greatly reduced their ability to take risks and experiment with unusual solutions and practices. Also, the media bureaus follow a strict quantitative logic, directly evaluating the trade-off between advertising costs and sales results. This tends to further standardize advertising messages and reduce the space for creativity and experimentation, as the media bureaus “sell advertising as a mass commodity”.11 Finally, a third tendency has been the drive to further restrict the economic freedom of advertising agencies and hence the amount of creative space that they can provide. Before, agencies used to make money by actually producing advertisements and other media products. Today technologies like photo editing and graphic design software, digital cameras and video-editing software, together with the generalization of the competencies necessary to use such tools has produced a situation where it is no longer particularly difficult to produce an advertisement “Any kid with a Macintosh can do it”12 – and so can most clients. Advertising agencies have lost control over the means of production. This threefold pressure to reduce creativity and experimentation has transformed the nature of advertising work. It is less free and less bohemian than before: Like many other forms of immaterial labour (such as university teaching), it is more subject to quantification, documentation and control (cf. De Angelis and Harvie, 2006).

When I started [in the 1980s] we had wine on Tuesdays, and then on Thursdays and Fridays too, and if we got a new customer we had Champagne... it was a bit on the heavy side.. Today it's much more orderly and you have to document everything that you do. Then we used to live off other things, the actual production of things, advertisements, booklets and such. Today its pure creativity and that has to be documented.13

Structurally, the economic pressure on traditional agency activities, like brokering media space and producing advertisements, has led to the emergence of a new type of advertising agency, the event bureau. Event bureaus do not primarily produce advertising. They are closer to PR agencies in their operation. Their task is to produce an event, an affective intensity that can trigger a number of autonomous- or ‘viral’- communicative networks among consumers and the public at large. The task of the event bureau is then to manage these autonomous processes so that the mass intellectualty of the multitude is effectively put to work in supporting the campaign at

11 Interview ‘Mogens’ CEO event bureau, 1/11, 2005.
hand. The event bureau does not actually produce much itself. Rather it specializes in managing external processes of productive cooperation. Its role is biopolitical rather than directly productive: it regulates the affective and communicative flows of the multitude so that these effectively come to constitute valuable immaterial labour. This is true also for the triggering events that it stages. Given the variety of services and competences required – from waitresses in hen’s costumes to cool DJs – and given the need to supply events that are perceived as ‘genuine’ rather than mass produced, the event bureau makes almost exclusive use of external talent. Most event bureaus consist of a few employees (three to five is the norm) whose main productive potential resides in their ability to mobilize and manage large and diverse networks of external talent. Indeed, to have such a large and diverse network is a prerequisite for employment.14

The Underground

One of the most important sources of this creative externality is what people in the advertising industry generally refer to as the ‘underground’. The term ‘underground’ refers to relatively autonomous processes of cultural production that unfold in the urban environment, often in connection to some ‘sub-cultural’ (another difficult term nowadays) ‘scene’ or other. Advertising professionals as well as underground producers themselves understand these autonomous forms of creative production to be both more innovative, experimental and cutting edge, more authentic, rebellious and ‘cool’ than others, and thus intrinsically opposed to the corporate logic of standardization and ‘commodification’ (cf. Poutain & Robbbins, 2000). Cooperation between the underground and the creative industries, in particular, the ‘conquest of cool’ as Thomas Frank (1997) has called it, has of course a long history. Already in the 1930s advertising aesthetics began to draw on the Italian and Russian avant-garde (Salaris, 1986). In the 1950s the music industry practically incorporated the emerging youth culture as a source of product development, constantly surveying it for new marketable fads and fashions. In the 1960s, the New York Pop Art scene and large parts of the Counter Culture were a constant source of inspiration for advertising’s ‘creative revolution’ (Frank, 1997).

However, in recent years this connection has become even tighter and more institutionalized. In the 1980s, the ‘account planner’ became an established figure in advertising industries (although pioneered already in the 1960s (Pollit, 1979). The account planner (or ‘creative planner’) constitutes the third member of the creative team and her role is to constantly survey and keep in touch with the mood of the target group, making sure that the campaign or the brand reflects what is most recent and cutting edge in the target groups own creative development. The planner can make use of external ‘cool hunting’ and ‘trend scouting’ firms.15 These developed originally to help fashion designers keep up with an evolving street style. Now they tend to give general coverage of youth (and not so young) culture. Usually they deploy ethnographic

14 Interview ‘Sven’ and ‘Mette’ two partners to a recently started event bureau, 10/11-05.
research and a network of ‘trendsetters’ (vanguard consumers at the edge of creative development in their peer group), who regularly report on what is new and ‘cool’. Finally there are ‘event’, ‘viral’ or ‘guerilla’ marketing firms who tend to put the underground to work directly for the campaign at hand. The interconnections between the advertising industry and the underground have been institutionalized to such an extent that advertising professionals, although they often identify as members of the creative class, often concede that real creative production tends to unfold elsewhere. As one event bureau professional told me:

There are, like, these two groups, on the one hand the ‘correctly creative’; the people that go to the right places, Barcelona, New York, Paris, and have the right bike, and the right glasses and live on the Islands Brygge or Vesterbro [Copenhagen neighborhoods in the process of gentrification] and dress in a certain way. They choose a role where they can confirm each other. Then there are the ‘true creatives’, like strange people: maybe they study at the university or make music, or underground theater, and they’re just born with it, and they’re crude and not well adapted, and they think untraditionally and alternatively, and these strange people are the ones that advertising agencies really want to get in touch with.

At the same time, the ‘underground’ has changed as well. It has become less political, more individualized and competitive, and more open to cooperate with the creative industries and with business in general. In this respect the Copenhagen underground scene has gone through changes similar to those described by Muggleton & Weinzeirl (2003) and McRobbie (2002) in the case of Britain, only about five years later. As in the UK, the transformation of the Copenhagen underground was linked to the establishment of the electronic music scene as the centre of underground culture. Electronic music accomplished two things: first, it expanded the size of the underground scene. With new technologies, PCs and music editing software, the capacity to engage in independent music production expanded to involve the kinds of people that did not embrace the political and existential ethos of an earlier generation of underground artists. In short, “the nerds now got involved as well”. Second, as the electronic music scene expanded outside the cultural and spatial boundaries of the older political underground, it came to create its own events. This involved using new venues and connecting to other emerging scenes, like video art, fashion and design, which further expanded the size and scope of underground culture. It also tended to introduce an entrepreneurial logic into independent cultural production. DJs and party organizers began to see themselves as cultural entrepreneurs, putting together music, artists and venues to create an event, marketing it to get the right kind of audience and charging money at the door to cover costs. In short, they invested time and money in order to cash in on respect (more than on money). If underground cultural production in the 1980s had moved within ideologically coherent communities with strong internal solidarities and clear boundaries that set

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16 See for example the UK firm Razorfish [http://www.avenuea-razorfish.com/interactiveMarketing.htm].
17 The term creative class has become fashionable in Danish popular culture, not only on because of Florida, but also by the general media hype about creativity, cf. McRobbie, 2002.
18 Interview Pauline, employee, Eventbureau, 12/5-05.
19 Interview, Philippe, Artist, 20/3-06.
them off from the rest of the city (the Autonomen/Punk scene with its occupied buildings and frequent clashes with the police), it now began to look more like an ethical economy (with an emphasis on ‘economy’) marked instead by open-ended networks (Wittel, 1999). Cultural producers perceived themselves as enterprising individuals who invested their time and money and put their reputation at stake in producing events that might increase their credibility and standing within the peer group. This entrepreneurial turn tended to open up the underground to the creative industries and the rest of the city. First, because event producers now accepted and actively sought out sponsorships to help cover costs and to increase the attraction of their event by providing things like free beer. Second, because the frequency of these events led to the opening of a number of clubs which transformed the (former) underground into an important part of the urban nightlife scene, with the result that independent ‘underground’ cultural producers and creative industry employees began to frequent the same environments and ‘network’ with each other with greater ease than before.

An Ethical Economy

Today the boundaries between the ‘underground’ and ‘business’ are rather porous and diffuse. The two terms are often used as shorthands, but once one approaches the actual inter-change between independent cultural producers and the creative industries, the boundaries are much less clear. Indeed the creative industries seem in many respects to be placed within the hierarchies of the ‘underground’ itself, and intermediate figures like the ‘network entrepreneurs’ that I will describe below, play a sort of liminal, trickster role, between ‘art’ and ‘commerce’. Similarly, many independent culture producers make strategic use of the monetary resources of the culture industries in order to further their own goals and agendas. Nevertheless, artists interacting with the culture industries need to negotiate the difficult transition between the ethical economy of respect that rules independent cultural production within the ‘underground’, and the monetary economy of the business world. The ability to do this skilfully, without appearing to be a ‘sell-out’, is, as we shall see, a key condition for success.

The underground is strongly hierarchical. Better, it is a hierarchical conglomeration of networks, a ‘network hierarchy’. Status within the network hierarchy is premised on the amounts of contacts, social capital or, respect that one can command, and consequently on one’s ability to function as a node, able to diffuse and circulate information as well as mobilize attention and participation. One’s standing is directly premised on one’s biopolitical capacity to regulate the communicative and affective flows that make up immaterial production. At the bottom end you have the, what my interviewees refer to as, ‘deep underground’, the products of which are too narrow to circulate within a wider audience (e.g. minimalist electronic music, or deathmetal), and are, for that very reason, without much interest to business. Actors higher up in the network hierarchy often see members of the ‘deep underground’ as most passionately anti-business, precisely because they have nothing to sell. At the same time, the ‘deep underground’ is perceived to be at the cutting-edge artistically. Thus it remains important for actors higher up in the hierarchy to have contacts there and to be able to draw inspiration from
what is produced there, and if necessary mobilize actors moving in the ‘deep underground’ to participate in the events that they organize, in order to give these events a vanguard, cutting-edge feel.

However, in order to have a career within the underground it is necessary to break out of the closed and exclusive environments of the ‘deep underground’ and acquire a name that is able to circulate more widely. The name is very important. It is by being widely known and having a good reputation that one is able to get jobs, gigs or other opportunities for artistic expression, and generally prosper. Most of the economy of the underground is geared towards managing the standing of one’s name and maximizing its capacity to circulate. The currency of circulation is respect. Respect is accumulated by acquiring a network of people who know of and recognize one’s name. Such positive recognition is in part the outcome of artistic skill. But another crucial factor is apparent or authentic altruism. It is by providing ‘free goods’ to people that one amasses the respect of others (be this a pleasurable artistic experience, a job, gig or other opportunity for self-expression, or a good party). In this sense it is important that one’s activities produce no monetary gain, but that all resources are spent to ensure as pleasurable or extravagant an experience as possible.

That way it’s better to break even, because if there is a surplus, then we have been too cheap, and we could have used the money for something extra, something more fun. I remember last time [we organized a party] the bar started making too much money, so we went out to buy candy and handed it out to people, because in the end they had paid for it by paying money at the bar.20

The correct attitude seems to be to do things for others, not for monetary gain. Even very successful actors, like the network entrepreneurs who are able to live off the respect and diffusion that their name has accumulated, perceive of their career as “doing what I like and being respected for that”, rather than as a conscious effort to acquire monetizable resources. 21

Nonetheless, this economy of respect provides a strong motivation for cooperating with business, as the extra resources that become available through such cooperation can be directly mobilized in order to circulate one’s name and accumulate the desired respect. This can be done either through media exposure or by being seen mingling with the right people. As two of the DJs who participated in Club Fox put it,

If there had only been country-bumpkins there and we had got bad publicity in bad media, that would have been really bad for us. Now as it turned out there were lots of cool people and cool journalists and great bands. All those Berlin ravers who partied like crazy. It was one of the best evenings we’ve ever had in Denmark. And some of the coolest people we ever played for in Denmark. So it worked great for us.22

Or, it could be done through offering extra perks like free alcohol and a better party infrastructure:

20 Interview ‘Nis’ and ‘Niis’, DJ:s, April, 2006.
21 Interview, Kjeld, DJ and ‘network entrepreneur’, April, 2006.
22 Ibid.
Where would you go? An underground party that nobody sponsors in an old factory with a shitty sound system, or the same stuff with a good system, nice furniture, free vodka and free beers and a nice place with good light and good heating. You’d pick the latter, wouldn’t you?²³

Corporate money and sponsorship can be included as a resource in the ethical economy of respect, as long as they are spent without any apparent personal monetary gain.

Naturally this is wrought with danger. Firstly and most obviously, one has to be careful not to appear to be doing things for personal monetary gain, to be ‘selling out’ in too obvious a manner. Indeed the key to really making money is to understand how to “preserve one’s goodwill”²⁴ while monetizing one’s name; to successfully navigate the boundary between the ethical economy of respect and the monetary economy of business.²⁵ In order to do this, it is necessary to be careful when making alliances and in associating one’s name with business actors. The sponsors might have their own ideas about how to organize the party or event, and these ideas might conflict with the criteria of success, or indeed the aesthetic habitus that prevails among one’s peers. “As soon as they hire huge doormen, or guys running around with headsets, the atmosphere changes […] If the event bureau gets to decide too much it always ends up like a sort of village festival thing”.²⁶ At one point Club Fox had a separate VIP lounge for journalists and Volkswagen people. This created a feeling among DJs and party goers that they were tricked into putting up some sort of show for corporate VIPs. In turn this reflected badly on the DJs responsible for organizing that night (and resulted in a small riot which ended with the party organizers being thrown out from their own party).

Apart from such direct corporate interference with the event itself, there is a constant danger of aligning one’s name with a commercial brand. This is particularly true if one has a well-reputed name. In that case the association will stick. If it is not coherent and motivated, or if it does not fit into the personal brand that one seeks to construct for oneself, this can cause serious and lasting damage. As one famous underground artist who refused to participate in Project Fox put it:

I live and work in this city and if I’d done that [participated in Project Fox] it would have stuck to my name and when I bike home I would have to stand there and defend the project and be a representative for it, so the only right thing was to keep away. People who say, we just take the money and have fun and make a party are too naive. They don’t understand what is at stake. […] I have no problem with working with sponsored events per se, but here there was a hidden agenda, or rather it wasn’t hidden enough. It was simply too much, like being part of a three-dimensional advertising spot, and the only reason they did it in Copenhagen was that the city is so small that they could dominate it totally, and if you went to their parties you became an actor in their advertising spot, and I think it’s strange people did not understand that.²⁷

The motivation for not participating was not ideological. Indeed very few of my interviewees had anything in principle against cooperating with business. It was simply a matter of brand management. Project Fox was perceived to be too overtly corporate,

²³ Interview, Thomas, DJ and ‘network entrepreneur’ April, 2006.
²⁴ Ibid.
²⁵ Ibid.
²⁶ Interview ‘Nis’ and ‘Niis’, April, 2006.
too manipulative. Participating would not have produced a net gain to this person’s name. Similarly, a famous DJ and network entrepreneur made a similar judgement albeit in more direct monetary terms. He did not like the design of the project, and “in any case they didn’t pay enough money” 28 Less famous actors could use Volkswagen’s resources as a vehicle for reaching out to new people, associate with ‘cool’ artists from abroad and generally gain media coverage, but for more established names the costs of being associated with the Volkswagen brand started to outweigh the benefits.

Network Entrepreneurs

One category of actors who are particularly sensitive to the difficulties of navigating the boundary between the economies of money and respect are the network entrepreneurs. These are people who live off their ability to capitalize on their place at the top of the network hierarchy or the ‘underground’. They are usually (but not exclusively) a bit older and have a longer career behind them. Now they mediate between event bureaus and underground cultural producers. Because of their large networks they are able to recruit the kinds of people that the event bureau requires in order to create the right kind of ambience. Equally importantly, their name stands as a guarantee of quality. The network entrepreneurs that I talked to were very aware of the monetary value of the networks that they commanded and the respect that they had accumulated.

I was contacted by [this company] and they needed a DJ, and I gave them a price-list with four different prices. At one price I was in the picture, in the background, but you couldn’t see that it was me. At another price, you could distinctly recognize me. At the third price there were close-ups of me and at the fourth price I’d wear their clothes. This was the most expensive price of course, I think I set it at [DKK] 200.000, the lowest price was [DKK] 20.000. 29

But what motivates a price difference of 1000 per cent? What is it that the network entrepreneur really sells? The network entrepreneur sells access to forms of life as they have developed in the ethical economy of the underground. Once mobilized by the network entrepreneur, such forms of life (cliques, friendship networks, small tribes or other more or less temporary forms of social cooperation) are made to unfold as freely as possible within the structures of the event. Most participating DJs perceived that they had more freedom to do what they wanted at Club Fox than in an ordinary club or event: “You could play whatever you wanted, and do really weird things, and they liked it anyway, so it was great”. 30 According to the event bureau that managed the whole affair, it was precisely this freedom that accounted for the success of Project Fox. 31 From this point of view, the naively cynical attitude of some DJs of simply taking the money and throwing their own party is precisely what the sponsoring event bureau wants. By taking Volkswagen’s money, like one group of DJs did, and using it to throw their own birthday party, “invit[ing] our friends and do[ing] something personal and just

28 Interview, Thomas, DJ and ‘network entrepreneur’ April, 2006
29 Interview, ‘Kjeld’, DJ and ‘network entrepreneur’, April, 2006
30 Interview, Thomas, DJ and ‘network entrepreneur’ April, 2006
be[ing] ourselves”, 32 ‘authentic’ or ‘genuine’ forms of life are produced, which the event bureau values the most. Indeed, from the accounts of older network entrepreneurs who have a long experience of mediating cooperation between business and the underground, it seems that, in recent years, there has been both a growing interest on the part of business in “reaching young people though their own activities and interests” 33 (to cite Access PR’s own press release) and an increase in the freedom that businesses give to event organizers and participating artists.

There’s more money now, and you are much freer in using it. Because companies know that there is no reason for them to get involved. Of course they have an idea of what they want to do, but as long as they see that they get good PR from it, it’s become fairly easy to get money out of them. 34

Indeed network entrepreneurs are optimistic about the future. On the one hand there is a continuing interest on the part of business to sponsor underground artists: “That’s how I see the future of the underground, that we can be used to speak for those who make a lot of money, because there is no money in selling records any more.” 35 On the other hand, new information and communication technologies (like file sharing) that permit new ways of distributing and circulating music have enabled new forms of cooperation that in turn generate new forms of life. These can be successfully marketed to business:

So we won’t be unemployed just because music has become more openly accessible. It only means that people form new groups, with new things in common. And these become even harder to find and grasp for people on the outside. This makes it even more difficult for businesses to stay in touch. 36

To summarize: at least in case of the event bureaus, the ‘underground’ has become an integrated element to the economy of the culture industries. Underground artists and advertising professionals mutually utilize each other. For the underground artists, sponsorship provides resources to be mobilized in the drive to maximize one’s standing and respect. To the advertising professionals, the underground produces the authentic forms of life that have become increasingly valuable in contemporary viral or event marketing strategies. The cultural industry appropriates the creativity of the underground by hooking into its networks. The network entrepreneurs play a crucial part here. By means of their position at the top of the hierarchy of the underground they are endowed with the kinds of contacts, sub-cultural capital, respect and the general biopolitical capacity that enable them to recruit and mobilize desired forms of life and to guarantee their quality. The people who are recruited by network entrepreneurs, like DJs and artists, in turn make use of their networks, either to mobilize an attractive crowd of friends and acquaintances, or to develop their own artistic capital in terms of skills and up-to-date-ness. At yet a lower level there is the ‘deep underground’ where innovations are made that will slowly trickle upwards. All of these levels are also connected laterally to other environments and milieus (Berlin, New York, Barcelona), chiefly, but not exclusively through ICTs. It is as if the event bureau plants a root (or

32 Interview ‘Nis’ and ‘Niis’, April, 2006.
34 Interview, ‘Kjeld’, DJ and ‘network entrepreneur’, April, 2006.
35 Interview, Thomas, DJ and ‘network entrepreneur’ April, 2006.
maybe a rhizome) in the productive multitude that dissipates almost *ad infinitum*, and allows it to establish a value stream.

**Conclusion: Creative Class?**

To Florida, the creative class is composed of people whose job it is to create meaningful new forms of creativity. These can be scientists, computer programmers or art directors who produce creativity by virtue of their talent (Florida, 2002: 68). For Florida, the creative class is part of the paid workforce. Hence the key to urban development and prosperity is to attract such talented and productive individuals. This is done by creating an attractive ‘cool’ and quirky urban environment characterized, among other things, by a strong presence of an urban bohemia, or ‘underground’. It is important to note at this point that, for Florida, the underground is not productive in its own right. It merely serves as an extra perk that, along with large gay communities and lots of ethnic restaurants, will attract the demanding, talented and productive members of the creative class. In the case of Project Fox and Copenhagen event bureaus more generally however, the valuable new forms of life that were deployed as marketing tools were all produced by the free labour of the underground.

The task of the creative class (in Florida’s sense of the term, i.e. professionals employed by advertising agencies) is primarily to appropriate these externally produced meaningful new forms. The culture industries have increasingly come to include the free labour of the underground as an internal element to their own valorization circuit, and the role of its professionals becomes primarily that of managing, or appropriating the value it produces. Through their networks, or through the mediation of network entrepreneurs, the urban environment comes to constitute a positive externality that can be grasped and valorized. This suggests a redefinition of Florida’s terminology.

According to Access PR’s own numbers, the Project Fox campaign generated 35 million hits, including via important publications like German the tabloid newspaper, *Bild am Sonntag*. While the actual value of this publicity is impossible to determine exactly, the event bureau itself estimates its value to €2 million. Some of this value is produced by the organizational and coordinating labour of the event bureau, but most of it, as I have shown in this paper, derives from the immaterial labour of the ‘underground’. The designers recruited from abroad to redecorate Hotel Fox were paid along the lines of €1000 a month (which is less than the Danish minimum wage). Most of these designers worked 2-5 weeks. The network entrepreneurs in turn charged around €4000 to help organize the event. Although rough and far from conclusive, these figures point towards a different composition than that of Florida’s creative class. On the one hand we have the producers of creativity who are mostly not paid for what they do. Instead these creative proletarians live off other jobs; or in Scandinavia, the welfare state. In Denmark they make up a publicly funded productive externality that can be

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37 This impossibility to measure is in itself an interesting illustration of the ‘crisis of value’ that characterizes informational capitalism in general, cf. Arvidsson, 2006, Negri, 1999. All figures cited here were given to me in an interview with the CEO of Access PR in November 2005.
appropriated and mobilized by the creative industries. On the other hand we have the creative class proper, professionals employed in advertising and event marketing firms. These people are paid and live off their jobs, but the value of their labour does not so much reside in their skills in producing creative content, as much as in their ability to appropriate and mobilize ‘meaningful new forms’ that are produced elsewhere. In the classical sociological terminology of class analysis these people would be more like a ‘creative petty bourgeoisie’ or maybe better ‘the managerial class of the creative economy’, in that their function is primarily to manage, appropriate and valorize, not to directly produce. (This observation is supported by the fact that, when interviewed, self-professed members of the creative class primarily envision their own class identity in terms of consumption). In so far as they are able to live off their mediating role, the network entrepreneurs would also belong to this new managerial class, albeit to its lowest layers.

We could provisionally define the boundary between these two classes as the ability to live off creativity. Advertising professionals clearly do this. So do successful network entrepreneurs. Some online gamers live off what they do, but most do not, neither do most DJs, artists and musicians, no matter their position in the underground network hierarchy. This model must to be further validated by additional research. But it already points at a different way of conceiving urban development.

If indeed the creative ‘underground’ is a crucial producer of the kinds of creativity that fuel the increasingly central culture industries; and if the value of these kinds of ‘genuine’ cultural products derives form the fact that they are produced in relative autonomy, beyond of the standardizing logic of the capitalist culture industries, then efforts to increase this autonomy could actually be a way of stimulating urban economic development. Presently most cities seem to have taken the opposite direction. Gentrification, restricted welfare systems (or the coupling of benefits to various forms of surveillance and control) and the general privatization of culture are all factors that decrease the relative autonomy of ‘underground’ producers vis-à-vis capital. But there are some indications that the creative revival of the Copenhagen underground in the 1990s and its transformation into an open-ended economy was, at least in part, fuelled by the more generous welfare provisions enacted by the, then, social democratic government, and made possible by the cheap housing (then) available within the city. Could a creative proletariat on welfare be conceived as a sort of publicly funded immaterial externality, that is valorized either through its appropriation by the culture industries, or more indirectly, through its contribution to the urban gentrification processes that are a key driver behind real estate prices?

references


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