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Book Review: Peter Tschmuck, *The Economics of Music*, Newcastle upon Tyne: Agenda Publishing, 2017, 224 pp., ISBN 978-1-911116-07-3 (hbk)

During the 20th and first decades of the 21st century, music economy evolved into one of the leading global industries, which was recognized and confirmed by the decision to include it in Agenda Publishing's series on the economics of big business (so far, the series' other published books consider the economics of arms and airlines, respectively). The author of the book, *The Economics of Music*, is Dr. Peter Tschmuck, Professor for Cultural Institutions Studies at the University of Music and Performing Art, Vienna. Dr. Tschmuck is dedicated to the development of the interdisciplinary academic field of music business research through various activities.

For the study of cultural economics, the music economy occupies an important role and thus is often included in broader analyses of creative/cultural industries. However, rarely is it the sole subject of an entire book, which makes this study of interest to academics and practitioners in the field. On the other hand, anyone involved in studies of music is probably familiar with the tensions arising when the subject of the music industry is mentioned, because of the long, Adornian legacy of perceiving the music industry as a non-human machine oriented towards profit and opposed to creativity. There has certainly been much valuable research attempting to solve this opposition, to consider individuals working in the industry and grasp the 'whole picture' (Tschmuck's previous work being among them).¹ But, what seems missing is a strict explanation and analysis of the economic processes at the core of the various terms under which music appears in society. While music economy in its broadest sense is not the subject of this book, crucial aspects of the music industry and music business are, since author's primary interest is in the music markets. Or, in the author's own words: "the book explains the structures, practices and institutional settings of creation/production, dissemination/distribution and reception/consumption of the cultural good music, which together constitute music business" (5).

The themes of the study are carried out through nine chapters, with an introduction and conclusion. A glossary of music industry/music business related terminology, as well as diagrams, charts and figures that illustrate the data brought

¹ Peter Tschmuck, *Creativity and Innovation in the Music Industry* (Berlin, Heidelberg: Springer Verlag, 2012).

throughout the study add to the comprehensiveness of the edition. In the introduction, basic definitions are presented, as is the economic relevance of music economy in different countries.

The first three chapters provide further general information on economic principles at the basis of the music business and their historic background. In “A Short Economic History of the Music Business”, Tschmuck explains its five periods, from the time of music patronage up to the digital music economy. Among other, crucial changes such as recognition of property acts through various laws and establishing of copyright, emergence of the value-added chain in the mid-19th century, as well as dominance of three contemporary major labels are considered. Musicologists will notice that this is strictly music business history, as, for example, distinguishing classical and popular music was commented only in relation to different business models that followed them (publicly funded vs. market-based). Likewise, emergence of a new variety of music genres is mentioned as a strategy of smaller labels to seize their place in the market. This focused look is useful in bringing the reader’s attention to the fact that music comes within material (i.e. economic and technological) conditions which are to be understood in any contemporary studies of music, and not just those more practically oriented, such as music management. This is followed by a chapter on “Microeconomics of Music: Music as an Economic Good”. Here, the appearance of the four types of music good (as public, merit, club and common good) is explained, as well as the technological changes that prompt music good to transition from one category to the other (e.g. with private possession of sound recording). The third chapter, “The Economics of Music Copyright”, explains music industry structure, monopoly and oligopoly, and conditions, benefits and problems of the copyright. Also, it explains moral justifications of the copyright, laid on the assumption that the author has the right to enjoy the results of his or her own work and the Kantian hypothesis that the work is extension of one’s own personality.

The next chapters deal with three core and a few secondary music markets. As for the content organization, following chapters more or less follow the pattern of discussing the function of the market and its actors, and then the structure of the market and industry. In chapter on *Music Publishing*, acquisition and exploration of copyright is recognized as the main function and discussed together with sources of revenue, structure and total economic value of this market. Artist and repertoire (A&R), production and marketing sections are the main functions presented in chapter on *Sound Recording*, where structure as well as differences between the physical and digital music market, different types of sound carriers, types of markets and the contemporary role of music majors as “full service providers for artists” (117) are explained. Since touring replaced recording as a main source of income for artists, the live music market has become more significant than ever. The sixth chapter, “Live Music”, discusses the main actors and structure of this market, paying special attention to the dominance of the Live Nation Entertainment company. The chapter on “Secondary Music Markets” deals with additional sources of income for musicians via licensing musical

content on radio, television, motion pictures, commercials and video games, but also through branding, sponsoring and merchandising.

Two final chapters are of special interest when the position of contemporary working musicians is in question. The eighth chapter, "Music Labour Markets", discusses income sources, monetary and non-monetary rewards, gaps between superstars and others, and presents revenue streams for musicians of different genres and suggests ways in which economic status of musicians could be improved. The last chapter, *Economics of the Digital Music Business*, systematizes recent large-scale changes: the crucial turn in music consumption from an ownership-based to an access-based model via music streaming services, changes in value-added networks, debates on the role of intermediaries, self-management in the form of "artepreneurship", blurring lines between production and consumption in "prosumption", and emergence of new players such as Apple, Google and Amazon. Since the contemporary aspects of music business are not scrutinized in detail in the relevant literature, especially about the future of music streaming services, the book brings this additional value by tackling these current questions.

While the book's interest to theoreticians and practitioners of different approaches to music studies has already been stated, it should be noted that book's structure and manner of author's explanation, with clear distinguishing between different aspects of music business, but also their interdependence, could be of particular appeal to students or those encountering the subject for the first time. Certainly, music students would find it very useful in the quest to understand conditions in which their work could be presented to an audience.