

iPod is Raping the Rapists who Raped My Village

An economic overview of contemporary audio production

During the past 12 years or so that I've been commercially releasing electronic music, I've noticed a trend: every 4 or 5 years a major electronic music distributor goes out of business, taking a ton of small record labels with it. In 2004, it was EFA, the most important electronic music distributor in Germany. "So what?" you ask. To which I add, "Distributors are generally money driven fuckers of the worst kind anyway, pushing shit music in the same way book distributors try to pass off 'Best Sellers' as literature. Good riddance. Fight the power, etcetera, etcetera."

In every instance I've known of, the problem is the same - mismanagement of inventory, and "returns." For those who are not familiar with how distributors work, it goes something like this: distributors promote releases with free copies to get record stores to place orders (hyping what will "sell," and paying less attention to what won't sell as much); distributors then ship physical records to stores based on orders received, but the stores are allowed to return unsold items within a certain period (usually 6 months to one year) - these are the "returns"; and distributors then pay the record labels according to the number of records sold. Distributors have to keep pushing new items to get

new orders, and the retailers have to keep placing new orders to keep their inventories up to date, which means shipping back "returns" to make shelf space. As the years go by, an ongoing cycle of returns flow in to distributors at random intervals often beyond the return period, and there soon emerges a discrepancy between distributors' accounts to labels of what records have been sold, versus what records have been returned. In the year or two before a distributor goes out of business, it starts withholding payments to record labels based on this discrepancy between previously reported CD sales and "returns" of those same items. Of course, money begets power, so they start by withholding payments from their small clients — independent record labels with the least sales.

Despite not receiving payments from distributors, record labels must continue manufacturing and releasing products in order to maintain market visibility and hope everything will eventually even out — which it rarely does. In order to cover their continued manufacturing expenses, record labels start withholding payments to producers and artists. Eventually the distributors go out of business, with all of their inventory being frozen as company

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Lovebomb (video still) 2003

assets (even though the distributors generally never paid the record labels yet, meaning the products should still be considered the property of the record labels who paid for manufacturing), and the record labels must then attempt to buy back their own catalogue from the distributors' bankruptcy lawyers. Unfortunately, due to a lack of payments from distributors in the preceding months or years, the smaller record labels are usually penniless by this point, and also go bankrupt. "So what?" you ask. To which I add, "Labels are generally money driven fuckers of the worst kind anyway, pushing shit music in the same way book publishers try to pass off 'Best Sellers' as literature. Good riddance. Fight the power, etcetera, etcetera."

Ultimately, these financial troubles trickle down to producers like myself. Our CDs from bankrupt distributor inventories eventually enter the sales market through discount dumping, and we stand no chance to collect sales royalties. Again, "So what?" you ask. To which I add —"Producers and artists are..."— well, you get the point.

Out of this situation, we producers have to find alternative ways to pay the rent. Despite the popular confusion of name recognition for financial success, most electronic musicians do not live in MTV Cribs. When we have hard times I'm not talking about MC Hammer losing a mansion he should have never been allowed to mortgage in the first place. We live economically on what usually amounts to a part-time salary, which makes it hard to accumulate savings. Truth be told, the bulk of that income doesn't come from record sales, but from performances - even though our music might not be suited for "live" stage or club venues. In this way, our financially unsupportive CD releases are basically promotional tools for catching the eyes of event organizers and promoters willing to pay us. But when our record labels go out of business (such as Mille Plateaux did last year in the wake of EFA's closure) and we have no upcoming releases, our performance bookings generally go down. And so we have to look for income outside the music marketplace, which either means getting a "real job" if we don't have one already (programming or design are popular alternatives), or partaking in funded Art

events and exhibitions. This latter option usually marks an economic shift away from capitalist enterprise and entrepreneurship (sales) toward national and private subsidy (grants).

Unfortunately, the unavoidable expansion of our activities beyond the world of Music throws us into the midst of a tiresome ideological battle between "Music for the masses" and "elitist Art." On the one hand, music's precious claim to encompass all that "really matters to people in the real world" means our activities in the Arts smack of betrayal and haughty self-indulgence (not to be confused with acceptable self-indulgences such as masturbatory rock-guitar solos). On the other hand, the Art world's social insularity and blindness toward other cultural arenas has led to its recent excitement about the "new" Sound Art, which lays claim to inventing everything we have been doing outside the Arts for years (let alone forgetting decades of self-described Sound Art). Cheering for the music side, David Toop recently started an electronic record review by saying, "One curious trend of the past five years is the way artists with a strong footing in music have gravitated towards financially unrewarding fields such as sound art and minimalist Improv. Career suicide, some might say, but perhaps it's just symptomatic of today's chronic polarisation between the esoteric but fulfilling, on the one hand, and a great deal of everything else (all seemingly radiating from Elton John or Michael Parkinson), on the other." (The Wire, January 2005.) While a notion of economics does fit into Toop's statement by conceding the "financially unrewarding" nature of subsidized Art, it is a notion of economics through the looking glass in that he totally ignores the dire economics of the music marketplace which make such "financially unrewarding" employment necessary. For many producers, increasingly accepting work within the Arts is not about prioritising self-fulfilment as Toop suggests, but an attempt to find alternate income in the wake of music's eroded economy. It's like balancing a day job at Walmart with the night shift at McDonalds.

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I imagine this denial of economic circumstance will only increase with the transition toward download audio, and the obsolescence of CDs and other product-based formats. Through downloads, music is gradually being recast as a matter of “pure information,” the rhetoric of which makes us further lose sight of the material methods of such information’s production and distribution. At the forefront of this misinformation is Jacques Attali, who said at the 2001 Cybersalon Net Music Conference: “Music is very specific for a number of reasons. One economic reason is that music is pure information. In economics, information is a devil - it’s impossible to manage. For example, the whole of economic theory is the theory of scarce resources... but it doesn’t work for music; it doesn’t work for information as whole. If I have a pot of milk, and I give it to you, I don’t have it anymore. But if I give you a piece of information I still have it, I keep it. Which means that if I have something and I give it to you, I create something new: abundance. And this means that economic theory doesn’t work for information, when that information can be separated from its material support - a CD, or whatever is the case today.... In an information economy, something has more value when a lot of people have it. For example, if I am the only one to have a telephone, it doesn’t mean anything, not if there is no one else to call.... We must be very careful, when we speak about music, not to have in mind the main economic laws”.

While Attali and others purport we are entering a new economic phase, the ideological underpinnings of information economy are straight in line with the development of capitalist systems in which all experience is reified and regurgitated in the form of abstract relations. In many ways, it seems only logical that we find it difficult not to conceive of information — of our own knowledge — as commodities for barter. To paraphrase from Karl Marx’s *Capital* (bear with me, this is important), we might say that information, like use-value, “possesses the peculiar property of being a source of value, whose actual consumption, therefore, is itself an embodiment of labour and, consequently, a creation of value.” But given that information starts in worthless singularity (such as a thought), it can only be traded for its “surplus-value” through transference and replication, in which case it “reproduces the equivalent of its own value [zero], and also produces an excess, a surplus-value, which may itself vary, may be more or less according to the circumstances.” As information only takes on value in the late phases of surplus-value once it is somehow recorded, it becomes easy to dismiss the materials of information development (such as my home-studio production time), which assumes a corollary use-value of zero. We enter the world of the “no overhead” bedroom studio capable of yielding pure profits, forgetting about the actual costs of studio gear, space and utilities. Economically, the advent of the bedroom studio meant an album’s “advances” that were traditionally paid *in advance* in order to subsidize studio expenses (imagine that!), are now typically paid on or after an album’s release, and are considered advances strictly on the future revenues of the end-commodity itself. Labels act as though the “bedroom musician” produces audio with no raw materials, auxiliary materials, instruments of labour, cost of living, nor any other material expenses. Audio without overheads. Therefore, we can see that the ultimate underpinning of Attali’s information economics is no more than the capitalist dream of profits unmitigated by circumstance.

And so, as the old-school CD and record distributors will increasingly go out of business, we move toward a brave new era of download distribution - with crap audio resolution, crap internet graphics resolution lacking visual continuity between web browsers, and virtually no end-user product quality control. Hooray, society is liberated of countless CD commodities! ...And shackled to the iPod. Same shit, different profiteer... “So what?” you ask. To which I add, “You’re all money driven fuckers of the worst kind anyway, listening to shit music in the same way you read ‘Best Sellers’ and think they’re literature. Good riddance. Fight the power, etcetera, etcetera.” ❧

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