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Against the Digital Revolution?

Institutional Maintenance and Artifacts in the French Recorded Music Industry.

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Abstract

In this paper, we examine the issue of how certain actors tend to maintain institutionalized elements, in spite of significant technological and social change. In particular, we focus on the notion of artifacts, which represent one type of institutional carriers, but mostly overlooked in the institutional literature.

We approach this issue through an in-depth study of actors’ efforts to maintain institutions in a “mature” creative industry such as the French recorded music from 2004 to 2008. Our study focuses on the relationship and interaction between actors engaged in institutional maintaining and artifacts. To do this, we have interviewed 26 different individuals in the music sector and constituted a rich base of secondary data.

Our results point out that the recorded music industry, in spite of a so-called digital revolution, is still framed by persistent artifacts. These latter convey particular rules, norms and understandings that impede some potentialities of the digital revolution. We also underline the active efforts of some actors to defend existing institutionalized arrangements, especially through manipulation of artifacts.

Key words: digital revolution, recorded music industry, institutional maintenance, artifacts.
In the recorded music industry, new technologies threaten existing business models and offer new structures to create, produce and distribute music. Besides, a broader societal change, also associated with the digital era, has accompanied the emergence of new values and beliefs around music, artists, intellectual property rights and the value of culture. To that extent, certain groups or individuals advocate for new models, such as the global license in France, the creative contribution (Aigrain, 2008, 2010) or the development of an hybrid economy (Lessig, 2008).

However, this digital revolution is not passively undergone by the central actors in the music industry. They are engaged in considerable efforts to maintain specific institutionalized elements. Building on Lawrence and Suddaby’s (2006) concept of “institutional work”, i.e. purposive actions of individuals and organizations aimed at create, change or defend institutions, we explore the actions of powerful actors which are aimed at reproducing and reinforcing particular institutional arrangements and at stabilizing threatened beliefs.

The question of what form of institutional work is associated with maintaining institutions is important and needs further investigation (Lawrence and Suddaby, 2006). Although some works are the exception (Angus, 1993 ; Zilber, 2002 ; Zilber, 2009), it remains an unstudied phenomenon. Moreover, a very modest amount of research has been undertaken to examine the role of actors in maintaining institutions. It is all the more surprising as the very definition of institution emphasizes not only their enduring nature (Hughes, 1936) but also the importance of the action of individuals and organizations for their reproduction over time (Berger and Luckmann, 1966 ; Lawrence and Suddaby, 2006 p215).

In this paper, we investigate more particularly institutional work on artifacts, especially because they are central in the digital industries. We also think that they play an important role in the process of institutional maintenance. Even if artifacts constitute important carriers of institutions (Scott, 2008), the institutional literature has been more concerned in symbolic systems and meaning, and has favored the analysis of discourse to identify shared values and collective ways of thinking in a field. Doing so, it has been neglected how materiality also contributes to shape institutions.

Besides, artifacts may constitute strategic resources for institutional actors. They can change, defend or create them. The intention of this paper is to articulate the notion of artifacts and actors’ purposive efforts to engage in institutional maintenance. This intention is all the more
important for the institutional literature as the notion of defense of existing artifacts has up till now been largely overlooked. This leads us to raise several questions: What are the types of institutional work that is applied on artifacts by actors who are engaged in institutional maintenance? How do they infuse values on artifacts? How do these latter recursively act on the social order and impact the durability of the institution?

To address these questions, we draw on an in-depth study of the recorded music industry in France. We analyze a short period in France with the project of global license. The project has aroused quantities of debates at the House of Parliament. Digital revolution has been on the verge of shaking existing business models with the legalization of peer-to-peer exchange. During a period between 2004 and 2008, we explore what types of artifacts were preeminent in the field, based on 26 in-depth interviews, observation, and secondary data. We then tend to understand the types of efforts achieved by groups and individuals engaged in institutional maintenance, their influence on shaping artifacts, and the way artifacts recursively impact on the social order.

We show that some artifacts constitute central elements to explain institutional maintenance. They represent, as Scott (2008) emphasized, one type of institutional carriers, and they both reflect and shape an institution. They contribute to its durability and may determine particular practices. Our results also underline the considerable efforts led by central actors to interact with key artifacts. In particular, we show that they try to manipulate the normative and cognitive associations of artifacts through the production of texts and close discussions with central political actors. We also explain that the efforts of central actors are concentrated on some artifacts which tend to be transformed into dispositifs (Agamben, 2007). It is in this sense that they aggregate and align regulative, normative and cognitive elements. These artifacts became nodal points, which force the actors in the field to comply with institutionalized practices.

The rest of this paper is in four parts. First, we focus on the theoretical foundation of our research, mainly the literature on institutional maintenance, and the work on artifacts associated with this process. The second part of our paper describes our research method, a longitudinal qualitative study over the period 2004-2008, based on the analysis of interviews and secondary data. Next, we present our empirical data. In the fourth and final part of this paper, we discuss the main conclusions of our research.
Theoretical background

Maintenance and institutional work

Institutions are defined as taken-for-granted and enduring sets of practices (Greenwood, Oliver, Sahlin and Suddaby, 2008). But whereas the question of the creation and the diffusion of institutions is largely discussed in institutional theory, the issue of how institutions are maintained has received little attention (Lawrence and Suddaby, 2006; Scott, 2008). In this view, the stability of institutions is considered as an outcome attributed to mimesis and collective consensus rather than as a process of contestation. Researchers analyze the inertial effects of institutions through mimetic, normative and coercive pressures upon organizing (Willmott, 2005). This emphasis on isomorphism led to focus on social conformism and regularities (Zucker, 1988) and is also a way to naturalize established behaviors. As Dacin et al. (2010 p1393) underline, the assumption in most accounts of this process is that institutions are self-reproducing, requiring minimal “agency”.

But the reproduction of rules and beliefs in a field is not a pure institutional and automatic process (Jepperson, 1991; Oliver, 1991). Institutionalization is not just a question of imitation or diffusion. Lawrence et al’s research shows for example how dominant groups with sufficient resources can manipulate institutions at their own advantage, define institutional rules, control the access to capital in order to impose and maintain their own domination. In this view, the maintaining of institutions must be distinguished from stability or the absence of change. It refers to the “supporting, repairing and recreating of institutions” (Lawrence and Suddaby, 2006 p230) and requires specific efforts. Actors have to both cope with the evolution of the field and impact the processes of stability in the context of change. To wit, we concur with Greenwood et al’s (2008) view according to which institutions are not self-reproducing and we underline the importance of interest and action (e.g. DiMaggio, 1988) in the maintenance of a particular institutional order. Institutional maintenance requires then “institutional work” (Lawrence, Suddaby and Leca, 2009), i.e agency and intended action. The active behaviors of agents to introduce change, disorder and instability in a field, has to be considered in relation with active strategies of other agents to maintain stability.

If the process of institutional maintenance remains a rather unstudied phenomenon, it has not been totally ignored by institutional scholars though (see for example Angus, 1993; Dacin et
al., 2010; Patriotta, Gond and Schultz, 2011; Zilber, 2002; Zilber, 2009). One response to analyze this process has been to focus mainly on the role of discourse. The main hypothesis is that discourse constitutes institutions (Phillips, Lawrence and Hardy, 2004), defines the standard way of thinking (Hall, 2001; Reed, 1998) and conveys stability (Reed, 1998 p196). It establishes a set of conventions that leads to an order, and that accepts or rejects certain ways of thinking and acting (Fairclough, 1992). Zilber (2009) for example adopts a discursive approach to analyze the process of institutional maintenance by focusing on narratives in fixing meaning. She contends that the narration of stories is a device by which the micro-dynamics of institutional maintenance can be best understood. Indeed, embedded in the notion of discourse is the potential for stabilization (Phillips and Malhotra, 2008 p714). Discourse puts forward patterns of seeing, describing, and interpreting reality. It provides a limited set of linguistic resources that frames knowledge about a topic and frames the ability to talk about it. Other scholars (Patriotta, Gond and Schultz, 2011) develop a process model of institutional repair that highlight the important role of justification (Boltanski and Thévenot, 2006) during controversies. More precisely, they study how the Germany Nuclear Energy Industry sought to maintain legitimacy after a potential nuclear accident. They show how the industry mobilized broad discourses and shared schemes of justification to preserve the legitimacy of the industry.

Finally, in most recent works, institutional maintenance is characterized by a specific type of institutional work (Lawrence and Suddaby, 2006; Dacin et al., 2010, p1395): an important way to preserve the cultural-cognitive institution is to mobilize language and discourse. This deals mainly with the symbolic aspects of institutional maintenance. Overall, institutional scholars have highlighted the symbolic work by which social actors construct legitimating accounts (Creed, Scully and Austin, 2002) linking broad cultural views of society and institutional logics (Patriotta et al., 2011; Zilber, 2006). The literature has hence tended to prioritize the symbolic, discursive and meaning dimensions of institutional maintenance.

In this article, we also seek to analyze the process through which institutions are maintained. But we are interested in a crucial yet overlooked mechanism that could reinforce the existing institutional order: artifacts. Indeed, institutionalization deals with discourses and artifacts that define and constitute organizations and with the way social reality comes into being due to various forms of objectification (Hasselbladh and Kallinikos, 2000 p703-704). If we do not deny the important role of discourse, we are particularly interested in the stream of studies that focuses on materiality in the stabilization of reality. We aim at articulating the notion of
artifacts and actors’ purposive efforts to engage in maintenance. We think that studying artifacts is particularly important to understand the kind of “institutional work” required to maintain institutions (Lawrence, Suddaby and Leca, 2009).

**Institutional work and artifacts**

The development of a “pragmatic” turn in the study of economic activities (Muniesa, Millo and Callon, 2007 p1) can be identified in contributions that have focused on the role of instruments, devices or artifacts in the social construction of markets and organizations (MacKenzie, 2006 ; MacKenzie and Millo, 2003 ; Miller and O’Leary, 2007 ; Miller and Rose, 1990). Most of these works have particularly focused on the very materiality of economics settings (Beunza, Hardie and MacKenzie, 2006) either visible such as bodies, rooms, desks, chairs, buildings, computers, pictures… or invisible such as data networks, electricity, or other infrastructures (Orlikowski, 2007). In this view, artifacts refer to “product of human action”, “intentional” and “perceived by the senses” (Gagliardi, 1990 p3). They imply a certain level of materiality and concreteness. Actor-network theory, as an illustration, has particularly highlighted the concept of socio-technical devices, “an idea that emphasizes the distribution of agency and with which materiality comes to the forefront”, (Muniesa, et al. 2007, p3). Other important studies in organization theory have also insisted on the importance of artifacts (Orlikowski and Scott, 2008 ; Pinch, 2008) and underlined that “organizing is bound up with the material forms and spaces through which humans act and interact” (Orlikowski, 2007, p1435).

Hence, a fruitful perspective in organization theory has to link the discursive dimension with the very materiality of field structures and organizations (Levy and Scully, 2007). It is indeed critical to ask in which ways artifacts actually matter in organizational activity (Barad, 2003 ; Latour, 2005 ; Suchman, 2007). Artifacts seem crucial in the diffusion of practices and their stabilization. As Pentland and Feldman (2005) put it, discourse must be complemented with artifacts, in order to transform practices into routines.

As concrete elements, artifacts are associated with a certain level of durability - that is the contingent outcome of work and effort (Orlikowski, 2007) - and, as such, need to be taken into account to understand the phenomenon of institutional maintenance. They grant consistency between discourse and practices, embody general principles and represent carriers
of institutionalization. In Scott’s classical book, they are one type of institutional carriers, at the same level as routines, symbolic systems and relational systems (Scott, 2008). Artifacts carry as well regulative, normative and cognitive institutionalized elements. They embody both technical and symbolic elements (Suchman, 2003). Some institutional scholars have emphasized their role and start studying their influence on institutional processes (Kaghan and Lounsbury, 2006; Lanzara, 2009; Lanzara and Patriotta, 2007; Scott, 2008). As Orlikowski put it (1992 p406), speaking about technology as one type of artifacts: “ […] Once developed and deployed, technology tends to become reified and institutionalized, losing its connection with the human agents that constructed it or gave it meaning, and it appears to be part of the objective, structural properties of the organization.”

Hence, working on artifact might be essential to impact on practical routines, as artifacts embody an institutional logic and a program of action in the way it should be used. The way artifact is designed, directs, to some extent, the way actors will behave (Leca, Gond, Déjean and Huault, 2006). In this view, materiality and sociality are mutually constituted (Barad, 2003). “Materiality is integral to organizing, positing that the social and the material are constitutively entangled in everyday life” (Orlikowski, 2007, p1437). Lots of scholars concur to the view that the social and the material are to be considered together and in the same register (); for example, as Orlikowski (2007, p1437) underlines, actor-networks (Callon, 1986; Latour, 1992, 2005), mangle of practice (Pickering, 1995), sociotechnical ensemble (Bijker, 1995); object-centered sociality (Cetina, 1997), relational materiality (Law, 2004).

The objective of this paper is to articulate the notion of artifacts and actors’ purposive efforts to engage in institutional maintenance. Artifacts may constitute a resource for actors in the institutional work of maintenance, because humans act on artifacts which recursively act on the social order. In that extent, and building on Law (2004), we treat in this paper the social and the material as constitutively dependent spheres of organizational life. Since, the notion of defense of existing artifacts has up till now been largely overlooked in the institutional literature, we raise three main research questions: What are the types of institutional work that is applied on artifacts by actors who are engaged in institutional maintenance? How do they infuse values on artifacts? How do these latter recursively act on the social order, and impact the durability of the institution?
Research context and methodology

Considered as living arts for ages, music has undergone a massive evolution during the 20th century. The birth of recording technologies has led to a radical shift in the music sector, developing the idea that music is a hard good as well as a service. Different objects, evolving at the pace of progress became more and more central. LPs, initially vinyl, were released in the 1930s and are still today a symbol of the recording music industry. They were progressively displaced by cassettes and compact discs in the 1980s and 1990s. In the vein of this evolution, the role of musicians as live performers gained less importance and technological development opened the path of modern music (Anand and Peterson, 2000). Thus, the introduction of new objects such as LPs has accompanied the reshaping of particular perceptions and beliefs in the music industry. To put it differently, the slow evolution of artifacts in the music field has participated in structuring the industry as a whole. Today, we can observe that these very artifacts also instill logics of maintenance. In spite of significant evolutions caused by the emergence of digital technologies and social changes, some institutional pillars in the recorded music industry are extremely resilient: the intellectual property rights regime, the star system and also a patrimonial view of art. This study has two goals: first, identify artifacts which appear predominant in the field and which may explain logics of maintenance; second to describe and analyze the interactions between individuals and artifacts in the purposive efforts of institutional maintenance. It is interesting to study to which extent individuals and groups attempt to act upon these objects to reinforce or influence particular beliefs and recursively how these objects structure possible interactions with individuals.

We focus our analysis on a period between 2004 and 2008. The starting point of our inquiry is the “global license”. Shortly said, it is a proposition of alternative licensing arrangements based on a broad-band tax. It was supposed to be an answer to massive downloading and allow Internet users to share music files on the Internet more freely. This proposition induced huge efforts from powerful actors to maintain past arrangements and revile this project. Among those efforts, we hope to throw into relief the processes implying artifacts and their recursive link with institutional efforts.

The period between 2004 and 2008 is interesting for a number of reasons. First, as we said, the debate about global license has aroused number of articles and so this period is well documented. Second, this is a pivotal time for the music industry when CDs are progressively supplemented by downloading, whether legal or not. In this inflexion, it is interesting to
observe which processes participate to the persistence of former institutional logics. Third, a set of counter-projects were put forward by powerful actors, such as a system to manage digital rights, or more recently a dispositif called Hadopi to impede piracy and illegal downloading on the Internet. It is all the more interesting that some other countries are thinking today about the adoption of such a dispositif.

Our method relies on two main parts. On the one hand, we have interviewed a series of 26 individuals in the music sector. Among them, there have been key and central actors, such as the CEO of Universal in France, the president of SACEM – a central agency which collects and distributes revenues to authors, members of Parliament, government officials, and also artists and workers’ unions. On the other hand we have collected a massive amount of secondary data to identify the most structuring issues in the music recording industry. Through the Factiva database, we collected all press articles containing any of the following: “authors’ rights”, “artist” and/or “music” for a period of time from January 1988 to January 2008. To help for the analysis, we employ an automated content analysis (prospéro). This program provides lexicographic analysis, combining textual and statistical tools. It brings into light recurrent patterns associated with specific contexts. They consist in a systematic analysis that provides both a global and detailed insight, and so help to identify repeated issues in the field. We then deduce significant artifacts in the sense that they are often evoked in discourses.

So, our method does not consist in a socio-technical analysis of the music industry as it could have been done based on an ANT framework. Rather, we conduct a social analysis of how artifacts structure discourses and beliefs in a field. More particularly, we argue that the study of discourse and especially the analysis of words is one interesting way of both understanding materiality and social beliefs and how these two dimensions are mangled.

Findings

Historical background

Based on sociological and economic literature, we will develop in the following lines a short history of the recording music industry and its present industrial organization. It will lead us to develop two dependant concepts of this organization: the star system, and intellectual property rights.
Since the 40s, the music field has increasingly concentrated itself around recorded music (Anand and Peterson, 2000). During that period, there has been a significant shift due to mass-production techniques combined with new information technologies.

From the 60s, a new era began, with the progressive emergence of worldwide and powerful actors, such as Warner, EMI and Polygram. The maximization of album sales became the prime objective (Huygens, Baden-Fuller, Van Den Bosch and Volberda, 2001), which tended to increase marketing and promotion efforts. Artists and producers were basking in the glow of glam and glitter, and were at the center of powerful communication tools: interviews, cover graphics, photo sessions, live concerts (Denisoff and Schurk, 1986). The first promotional films, like *Paperback Writer* or *Rain* by the Beatles, also contributed to the prestige of artists and music labels. While established artists were celebrated and their albums forecasted to be a success, newcomers’ destiny was much more uncertain. Labels coped with that uncertainty through overproduction in pursuit of profitable talents (Denisoff and Schurk, 1986 ; Menger, 2009). In the 70s, the chance for a newcomer to be a success was less than 10 percent (Huygens et al., 2001).

The historical golden age began in the mid 80s, while prices for CD players fell rapidly. Profits for CDs were much higher than those for cassettes or LPs. The excellent sound quality produced by CD systems also renewed consumers’ interests for recorded music and fostered many of them to (re)purchase old albums. This led to an emerging concern among music producers who turn their attention to older artists and their intellectual property rights. The core competency of dominant labels was no longer focused on manufacturing and distributing artists, but also oriented towards the acquisition and management of intellectual rights (Huygens et al., 2001 ; Menger, 2009). The major companies began “to think of themselves more as exploiters of rights than producers of records” (Garofalo, 1999 p343).

At the culmination of this financial golden age in France 125 millions of albums were sold in 2002, that is 35 millions more than in 1990 and 100 millions more than in 1970. The turnover of the industry represented 1300 million euro in France.

However, such euphoria was not meant to last. Since the early 2000s, the sales of CDs have declined worldwide. In France, 52 millions of albums were sold in 2008, which represents a
decrease by 58% in comparison with 2002. This rapid erosion of sales has become a major concern and the carefree golden age has turned into an uncertain period of crisis.

Although many scholars and economists in particular have tried to explain this decline, no consensus has been reached (Curien and Moreau, 2006). While some studies accuse the development of Internet and more specifically piracy (e.g. Hong, 2007; Liebowitz, 2006; Rob and Waldfogel, 2006; Zentner, 2006) some others neglect its effects (Madden, 2004; Oberholzer Gee and Strumpf, 2007) and put forward alternative explanations like the end of the CD life cycle. Other scholars underline positive external effects of piracy on certain segments of music market, like live music (Curien and Moreau, 2009)

Up till now, major labels have been unable to stop the decline in demand for recorded music, neither through repression nor through legal online offer. In spite of timid experiments, they appear to be unable to conceive new ways of organizing the field, and unable to respond to Internet challenges.

**Artists and the star system**

Menger (2002) observes that the artistic field has historically evolved as a working arena. The artist even tends to be the model of work in our modern societies. In the 20th century, artistic activities have been increasingly divided, similar to the rationalization of tasks described by Weber. Becker (1984) points out the extent to which any artistic activity now needs a chain of professionals whose cooperation allows the production, diffusion, reviewing and conservation of an artwork. In that way, there is both a horizontal and vertical division of artistic activities. Artists have to cooperate and consent to the supervision of their own work.

Beyond this division of tasks, artists have become the harbingers of modern work: they are deeply engaged in their activity, they are highly flexible and they also aspire to moral and social gratifications. Finally, the remuneration system today reflects an inter-individual competition. Under the appearance of the search for success, artists are compared, assessed, sorted and ranked according to the price and the usability of their talents. The value of an artist becomes determined by the number of discs sold. With the RIAA certification
The remuneration system legitimates extreme differences among artists. The spectacular disparity between the fame and the revenues of artists is a puzzling economic and social issue. Rosen (1983) shows that a low differential of talents between two artists will generate a bigger differential in the demand so that an initial advantage can provide exponential benefits. However, the assessment of the difference between two talents is not rational and the success of an artist appears unpredictable. For some, the star system relies on a social phenomenon, and represents the individual need for a collective cultural capital (Adler, 1985; Stigler and Becker, 1977). Following Bikhchandani et al. (1992), the role of information and social conformity should also be taken into account to explain the emergence of stars.

For Menger (2002) inter-individual competition relies on three factors: work, talent and luck, which makes artists’ revenues unpredictable. The system of remuneration appears as a “lottery” in which winners take (almost) all and the losers just have to do with the ideological delight for their artistic work. Frank and Cook (1996) denounce this production system of inequality based on winner-take-all markets, well represented in the arts and sports. The sociologist Perrenoud (2007) has achieved an ethnographic study of professional musicians in France. He depicts them as artists who are deeply devoted to the music life. They “do only that” and most often do not meet with success. “They are ‘a mass of ordinary’ musicians, who play an instrument and perform in front of an audience, but are pushed into the low steps of the professional pyramid. […] They know neither glory nor fortune.” (2007 p6)

The construction and consolidation of the intellectual property rights regime

Through its historic evolution, the music field has constructed a stable structure, spread all over the world. The major companies are at the centre of a complex and solid regime based on intellectual property rights (Garofalo, 1999; Huygens et al., 2001; Menger, 2009) and on a structured manufacturing of artists, from production to distribution.

Intellectual property has aroused an increasing interest among scholars and society in general these last decades (Landes and Posner, 2003), coincidently with the development of digital
The concept of intellectual property – the fact that a production of the mind can be owned – has appeared in the 18th century, as a child of the European Enlightenment (Hesse, 2002). To that extent, intellectual property rights and its complementary concepts, by no way, are universal. On the contrary, Alford (1997) for example explains that writing for money, in traditional China was despised. Still now, inspired by Confucian thoughts, copying appears as an “elegant offense”. There has been finally, before the 18th century a “universal proscription of private ownership of ideas” (Hesse, 2002 p29).

The French Enlightenment and Revolution have disturbed these certainties and aroused impassioned debates. Diderot insisted on the economic value of an artwork and the need for its protection. During a Constituent Assembly in 1791, Lakanal claimed: “among all properties that are the less contestable, the less contestable, that can neither harm republican equality nor offend liberty, is the property of mind productions”. More fundamentally, Locke’s philosophy has been here highly influential. For him, creation is the product of a single mind and reflects a quasi divine process granted to individuals. To that extent, it should be cherished and protected.

Other influencing thinkers, like Condorcet or Proudhon defended an opposite position, relying on diverging philosophical assumptions. For them, ideas and mind productions are intrinsically social, and should not be considered as the possession of a single man. Ideas are produced through a collective and historical process which goes beyond individual creation. These two opposite positions, still now, are representative of two clans and two diverging ways of dealing with mind productions. Still, the Locke’s clan of “modernity” largely prevails in our society, since culture as an industry is taken for granted.

In regards of this historical background, French authors’ rights theoretically tend to protect artists and creators to ensure their remuneration. In the case of the American copyright, adopted in Anglo-Saxon countries, rights are granted to those who assume financial risks. In France, authors are supposed to be the prime beneficiaries of intellectual property while in America, the notion of artwork prevails (Benhamou and Farchy, 2007).

Authors’ rights are thus expected to finance authors’ creation. In a classical article, Landes and Posner (1989) claim that copyright is necessary to compensate producing costs, which are much higher that reproduction and distribution costs. In particular, intellectual property rights “provide incentives to create the work in the first place” (Landes and Posner, 1989 p326). The
success of an artwork is rewarded through the number of distributed copies, fostering appealing and successful artworks.

While intellectual property is taken for granted, it is not the only incentive mechanism to encourage art. In their study, Shavell and Ypersele (2001) conclude that an optional reward system is superior to intellectual property rights. Plant assesses that the old system of patronage is not “wholly an evil” and “has in the past provided us with some magnificent literature, music, pictures, buildings, and furniture. There have been patrons who have given artists a very free hand in their work” (1934 p170). There is also a third path to pay for creation, based on public subvention. In the case of classic music, artists are mostly financed by the State in France, and yet offer a high quality standard. More broadly, Menges emphasizes that intellectual property rights are so taken for granted, than the question “do intellectual rights matter?” appears irrelevant and unwise. Nevertheless, whether they constitute a positive contribution to social welfare, and economic growth is not so sure (1995 p107).

For example, regarding authors’ rights and the remuneration of artists, an extreme minority among them can actually live from their art thanks to intellectual property rights. In 2005, among more than 100 000 members at SACEM, the leading collecting rights agency in France, 38 000 authors were paid, 2660 more than 1000€, 7980 between 1000€ and 10 000€, and 27360 less than 1000€ per year.

*Intellectual right property jeopardized: the Internet and the global license in France.*

France has a long tradition of artistic property, which formally takes root in a law proposed by Le Chapelier in 1791. Still, there have been chronic contestations against intellectual property, putting forward the importance for the public to have an easy access to artworks. To that extent, the current definition of authors’ rights results from a dialectical and historic construction of intellectual property that is supposed to be a social compromise between artists’ protection and public interests.

The compromise has been solidified around two principles: an author owns his creation, and thus has to be paid when his creation is distributed; culture is a public good, and artworks need to be diffused as much as possible. Even if these principles, at many regards, appear
antagonist, they have been combined in the 20th century, producing a relative stability for the intellectual property regime in France.

The emergence of the Internet has led to a more radical shift and conspicuously questions existing arrangements. Even if the industrial structure remains mostly unaffected, the expectations and behaviors of customers have changed, striking the historic balance between intellectual property and public interests.

The recent history of recorded music in France has undergone three successive controversies linked with the Internet: Napster (P2P website), the global license and Hadopi. All three have finally led to the confirmation and reproduction of the basic principles of authors’ rights against public interests. We have chosen to focus our attention on the global license in particular, as an illustration of one crisis.

The global license is a proposal that has been formulated and defended by a group called the Public-Artistes Alliance. It was discussed at the house of Parliament during the vote of DADVSI (Authors’ Rights and Related Rights in the Information Society). The global license would have impacted the intellectual property rights regime, promoting a reward system instead. Quite obviously, this project has generated a fierce opposition from the established actors in the field. The major companies have been particularly involved and lobbied at the House of Parliament and at the ministry. They also attempted to lead “pedagogical missions” among customers and taught acceptable practices.

Significant artifacts in the music industry

Drawing on the secondary data we have collected, we can now put to light the role of different artifacts in structuring the recording music industry. Obviously, this list is not exhaustive, but focuses on the prevailing artifacts. In the following lines, we do not insist on how they interact with actors, but rather how they are inscribed in ways of perceiving and describing reality.

In table 1, words in bold are those which represent an artifact. They both refer to a certain level of materiality – an object – and also social meanings.
Table 1: The dominant words in the music industry, from 1988 to 2008

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On the one hand, the word “disc” refers to a persisting object in the recording music industry. It is part of the most repeated words during 1988 to 2008. Then, we can notice that is supplemented by a new artifact “files”. It is all the more logical as it has become the main support for music from the 2000s. An important observation is the repetition of “artwork” as an artifact. It subsumes different forms of materiality to describe a music that is produced and stored on a support (whether purely material or digital).

Also for 1998, Internet as a giant network and as a system to share information has been a central artifact which has tended to reshape perceptions in the music industry.

These pretty raw observations, based on four basic artifacts, “discs”, the “Internet”, “files” and “artworks” is a starting point to understand their structuring effect.

Table 2 illustrates the ambiguity of the Internet as an emerging central artifact in the music industry. It conveys both the idea of sharing and control.

In the same vein, the analysis of debates at the House of Parliament shows that the Internet is considered as a threat which requires to be controlled, especially for those who defend the music industry. The former French minister of culture declared at the House of Parliament:
“Internet can be a tremendous opportunity, but under the condition that one does not get bogged down in it. It is important to be noticed, detected, and acknowledged. The risk of concentration around few artists is actual. A fair distinction must be made between the purposive promotion of artists through the Internet and the spoliation of their work.”

The Internet is perceived as a potential threat which must be used to promote artists and not just as a method to diffuse their work for free. This statement reflects a conservative view and indicates that Internet should be used to develop the existing business model, but not to radically change it.

It appears all the more obvious as we compare this position with another expressed by Patrick Bloche (MP, Socialist Party, defender of the Internet for artists):

“[Information technologies] represent a considerable advantage for artists and are an opportunity: potentially increased diffusion, more diversity, struggle against standardization and promotion of independent label. It is a new business model that we have to invent.”

Defenders of the Internet present an opposing view and assess that diversity is jeopardized if Internet is controlled. The existing business system is described as opposed to cultural diversity.

The Internet, as an artifact is perceived in different ways, and also is approached with various levels of reflexivity. While many actors in the recorded music field, whether listener, artists or producers…, adopt new technologies and modify their daily actions some others attempt to act upon the Internet as an artifact both trying to modify the ways of perceiving it for the music industry and also the laws which regulate it.

One other pivotal dimension to understand the role of artifacts in the music industry is based on the comparison between “discs” and “files” and how these artifacts are perceived and what are the beliefs they are associated with. Table 2 illustrates two different social meanings referring to discs or files.
This table represents the number of times a word is associated with “discs”, “files”, “Internet” or “artwork” over a period between 1988 and 2008 based on the database of articles we have collected. As this table illustrates, social meanings around files and discs are extremely different. Discs are strongly related to a market dimension applied to music. As for files, they are connected to music and to the notion of sharing. This opposition perfectly illustrates an historical opposition as old as the 18th century. On the one hand, CDs echo the defense of artists and an industry based on profit and music. On the other hand, files refer to sharing and finally echo an ideology of universal access to culture.

In spite of these different social meanings, it is interesting to note that among the actors implied in the music industry CDs and files are used as similar objects, most often due to routines, or a lack of information and knowledge. When we interviewed a Member of Parliament, Martine Billard, she commented the debates when the global license was voted. For her, the minister of culture, who actively defended a law to punish piracy, was pretty ignorant about new technologies. She told us:

Anyway, he could not understand a single thing. What is the difference?, he asked me about upload and download [in English, in the original quotation]. I explained several times but he couldn’t understand! It was very funny. Everybody was laughing [at the House of Parliament]. Definitely, it is a problem! It is understandable that MPs may not know everything, but it is really impressive when you have a minister who cannot understand a single thing, and so who only believes in the interests of his friends [referring to the major labels], and that’s all.
Martine Billard added that it does not only concern the minister of culture. The consumption of music, for most MPs, was persistently associated with a traditional and normative model: buy a CD at the music store, insert it in the disk driver, and finally listen to music. These claims are corroborated by F. Latrive, a journalist we have interviewed and who is an expert of the music industry. He explained, speaking about actors in the music industry, producers as well as artists:

There were people who could not even understand issues about Digital Rights Management, because a CD, they directly put it into the player and not in a computer. That, it is done automatically. It is something very natural. Thus, they just use claims which are rooted in the French debate: we have to defend authors, we have to defend creation. It is totally legitimate!

This idea is central to our argument, to understand the key role of particular artifacts. The routine to consume music, centered on the compact disc, regulates through its very existence behaviors and ways of understanding. As we emphasized it in a brief history of the music industry, the CD is a basic artifact which represents a golden age for producers and stars. It represents as an objet the symbol of music as a good.

What is interesting is to understand the impact of such an artifact and its inertia in a field where digital technologies tend now to prevail. In many interviews implying central individuals in the music industry, there is a belief in a certain analogy between discs and MP3. Among many other examples, Carla Bruni, a French singer explained in an interview:

People download on the Internet, great! But it is not that in particular which seems strange to me; it is rather that it is outlaw, as if as people wanted to clean out a bakery, even if it is a virtual bakery. When we were teenagers and we stole a disk, we knew it was risky. What is pretty curious today is that people want robbery to be a right.

Here, there is an assumption that CDs and downloaded files are quite similar. The actors in the music industry think with a form of analogy, as if the CD, as a declining artifact could be naturally supplemented by files and legal downloading. This is all the more interesting to be noted as social meanings are very different between CDs and discs (table 2). To that extent it illustrates that individuals both admit differences between artifacts but tend to naturally extend some routines and specific uses from a declining artifact to an emerging one.

In particular, among central actors, some of them perfectly reflect this tendency. There is a subtle relationship between an artifact which shape minds, and also purposive efforts to transpose beliefs from an artifact to a new one. As an illustration, we can refer to Pascal Nègre’s discourse, when he talked with us about the private copying right:
“[Private copying] is made for copying in the circle of family. I mean that the idea of: I buy a disc, it is normal that, if my children want to make a copy, I will provide them a copy in the car, in the holiday home, very well! But it is the idea that, suddenly, you give a copy to everybody in my residential block, then to the 1500 teenagers in the school of my daughter and then to everybody at the campsite... no! It is not the concept of private copying.

It is interesting to point out that his justification is subtly based on a comparison with a disc. As an object, it can be lent to a limited scope of people. As for MP3, they can be exchanged with anybody who has an access to the Internet. The idea of a CD is used to naturalize the limitations to the diffusion of a file, and so to restrict, with legal measures, the impact of digital technologies.

In this vein, the analysis of the music industry, based on interviews and secondary data illustrate the efforts of central actors to reinforce the analogy between discs and files. Regarding marketing and production efforts, files and disks are considered with a similar approach. Even if a file is immaterial, it tends to be embodied in tangible entities, reflecting the same logics as recorded music stored on classical supports. In that extent, the concept of DRM (Digital Rights Management) has concentrated a lot of efforts among the music industry. It represents different types of technologies, aiming at limiting the use of digital content and devices. Through these technologies, the distribution of files, potentially unlimited with the Internet, is purposely restricted. Rarity is artificially created in order to make the use of music files similar to the use of discs. It is not surprising to notice that leading music retailers have launched online stores, a transposition of a physical space to a virtual environment. The business model was pretty similar: possibility to pay for one single song or an album.

These efforts seem to have a significant impact if we consider the evolution of social meanings around the word “file”.

Table 3: Evolution of the words associated with "files"

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<tr>
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Even if the social meanings associated with “files” remain very different than those of CDs, files are increasingly associated with elements inherited from the use of CDs. During the last period of our analysis, instead of evoking sharing, exchange, Peer-to-Peer, “files” are mainly associated with protection and digital rights management. It is indeed the natural consequence of multiple efforts to ensure the continuity between two pivotal artifacts in the music industry.

With the emergence of virtual stores, files are the mirrors of CDs, associated with the picture of the record sleeve, the artist, the title of the music and thus associated with an artwork and an author. Besides, the different alternative projects have been significantly impeded by dominant actors, as it is illustrated, among others, by the difficulties of Napster, Deezer or NoMajorMusic.com. Apple has developed a leading position in the music industry, probably because it has been able, better than his competitors, to transpose physical stores into a digital environment where MP3s are similar to virtualized discs. To illustrate that, Pascal Nègre explained about Apple’s strategy:

*I had a meeting with the board of Apple, and I asked them about DRM. The guy, he told me that DRM, it is really not a problem: we have never received a mail from a guy who bought an iPod and who complained about DRM… He does not fucking care about that. The guy, he downloads, it works, no problem! Where is the problem? Where is the problem? They sold 5 billion of songs, and they did not receive a single mail! The guy he downloads, and it works, the guy he doesn’t give a fuck!*

Files as artifacts are embedded in the institution of recorded music. While the Internet could have, for example, deeply modified the structure of artists’ remuneration, there has rather been a form of persistence. Thus, it is not surprising that artists finally appear as those who loosened the most during the crisis (Bacache, Bourreau and Gensollen, 2009).
However, all central actors do not passively accept artifacts as they are. Some of them both intend to shape emerging artifacts to ensure the persistence of institutional arrangements, but also intend to modify the existing ones. For example, Pascal Nègre lobbied to change the idea than an artwork can be “possessed” because of the durability of a CD. He claims:

“This myth, it is wrong. It is a terrible myth. [...] But what is this idea that, as long as I bought a song, I bought it for life and I could give it to the next generation, and then to the next generation again? But where does it exist? How long does a phone last? If we are lucky, maybe one year, otherwise after eight months it is rubbish. [...] And then people began thinking that music is a thing that we buy, and then the heir will still possess the song in a million years. But they are all gullible! This idea is gullible! What they have for music, they don’t have that for phones! [...] But what is this bullshit! This crazy idea that music you have it for eternity! But are they crazy! It is unbelievable... it is unbelievable.”

This claim is interesting for different reasons. First, it illustrates the reflexivity of actors towards the power of particular artifacts, here the CD. At its birth, the compact disk was praised by Sony and Philips and considered as revolutionary. In particular it was allegedly meant to last for ages and keep a high quality of sound. This durability is perceived as a problem for certain individuals since it impedes the value of a portfolio of artworks. However, as we explained earlier, this portfolio is at the heart of profits in the music industry and is a key element in an intellectual property rights regime. That is a reason why Internet has been considered as an opportunity in the music industry to increase the control of artworks through the digital revolution and the use of DRM. The example of files downloaded with legal platforms, like NeufMusic in France is illustrative. Each file, protected by DRM, possesses a use-by date, like any perishable good. It is the same for music on streaming which cannot be possessed by Internet users or more creative systems like Spotify. This is not just anecdotic, but helps to understand the role of institutional actors, who claim their importance to structure the field. They want to diffuse their perspectives and act on pivotal elements. The verbal violence of certain sentences indicates an emotional implication. In this example, institutional work is assumed and reflexively expressed, admitting that “there is an important work to do on Internet users” to change their beliefs and habits.

Institutional work on artifacts and the role of dispositifs

As we emphasized earlier, artifacts -- particularly CDs and files -- play an important role in the recording music industry. They have both played a basic role in shaping the scope of possibilities for actors. In the case of the music industry, the impact of new technologies is limited by these artifacts which have shaped and reinforced some regulative, normative and cognitive elements.
These three institutional pillars, as they have been described by Scott (2008) are important to understand the institutional role of artifacts. Some of them are not just related to one pillar of the institution but reflect specifications, conventions and symbolic value altogether. In the music industry, these types of artifacts play a key role. In the case of CDs, the three institutional pillars are aligned and reflect normative (the remuneration of artists based on their sells, high quality of sound), cognitive (patrimonial dimension of art, star-system) and regulative (rights managed by the SACEM, intellectual property rights, centrality of the majors for the production of music) elements. As for files, their cognitive, regulative and normative underpinnings are not always congruent and there are still elements of tension. The question is to understand the efforts achieved by certain individuals to act upon these artifacts and the institutional pillars they are associated with.

We have observed in the music industry that efforts are not directed towards artifacts only. Institutional work is also devoted to the design of specific mechanisms, where artifacts are incorporated. We observe, in the case of institutional maintaining that individuals may use existing institutional arrangements to infuse some objects with values, and to do so design specific dispositifs (Agamben, 2007). Artifacts became then at the center of a nodal point where the regulative, normative and cognitive dimensions cross together. It is the case for the DRM, as a dispositif. They tend to protect artworks, and to that extent have concentrated the efforts of the major producers since the 2000s. CDs and then files were at the center of this dispositif which framed their use. It aligned regulative, normative and cognitive elements and aimed at creating a mandatory way to consume music. DRM is applied to a nodal point of the recording music institution and regulates actors’ behavior around a system which relates the three institutional pillars.

To that extent, we can wonder why DRM has declined since 2009. Probably, it is due to the multiple possibilities to get round this system and pirates could easily download music without DRM. A second dispositif has relayed DRM in France: the Hadopi project. It has also concentrated considerable efforts from the music industry. This mechanism is much more global. Instead of controlling the distribution of files and CDs, this mechanism keeps a close watch over Internet users. Files became at the center of a rigid mechanism which impedes subversive behavior. Dispositifs have in common that they tend to align institutional carriers. They are all the more powerful as they succeed in restricting alternative ways. So, they participate to institutional maintenance and decrease the impact of actors who do not respect institutionalized rules.
A dispositif is not only a material entity. It directly relates artifacts with institutional pillars and increases their impact to maintain an institution. As it is expressed by the founder of the Hadopi project, who we interviewed:

*The main topic is to know whether new generations will evolve in a different cognitive frame than the lost generation of these 10 last years, who relate the Internet with free music. It is meant to change the representation that a broad majority of Internet users have about the access to cultural products on the Internet.*

As it is illustrated here, regarding institutional maintenance, an artifact embedded in a dispositif is very powerful regarding institutional maintenance. It is self-maintained, through routines and the self-reinforcement between regulative, normative and cognitive pillars which are then aligned.
Conclusion

Our objective was to document the question of institutional maintenance (Lawrence and Suddaby, 2006) and the role of artifacts. While a systematic analysis of secondary data has demonstrated the significance of artifacts, the different interviews achieved among actors in the music field corroborates the structuring impact of artifacts, in particular CDs and today files. Artifacts are not only tangible elements but are infused with values, which make it relevant to adopt an institutional approach to analyze them. In the case of institutional maintaining, the CD, as an artifact has played a significant role, durably shaping perceptions and norms in the music industry. Its planned decline, caused by the development of the Internet has generated the transposition of certain beliefs to new artifacts. They inherit properties which facilitate their incorporation in the existing institution. The other properties of artifacts tend to be neglected and are not valued. To that extent, some great opportunities of digital technologies are swept away and promising alternatives have probably been overlooked.

Besides, we have emphasized the reflexivity of powerful and central actors – in particular the major labels. They have the material and intellectual resources to design actions and to act upon institutions, as it has been emphasized by Stinchombe (1968). We have emphasized their efforts to implement mechanisms which ensure institutional stability. In particular, the impact of dispositive appears as an important issue. The design of specific dispositifs, drawing on Foucault’s theories, is a powerful strategy for institutional maintenance. Artifacts become at the center of a regulative system, aligned with the cognitive and the normative pillars of an institution. A dispositif reflects then self-reinforcement properties and it is naturalized by actors. If Hadopi is a real success in France, it will durably shape ways of perceiving the music industry, and it will invite to accept the idea of a controlled use and distribution of files. Also, the efforts on artifacts are an important issue to control the consumption of music and its evolution. They frame behaviors disempowering subversive actors.

Also the analogy which is made between files and CDs by many actors in the music industry is interesting. Similarly to Hargadon and Douglas (2001), we can observe that an innovation does not necessarily foster institutional revitalization. There is a social need to ground innovations in existing ways of understanding. Drawing on the concept of “skeumorph” (Basalla, 1988 ; Hargadon and Douglas, 2001 p491), there is in a new artifact some elements,
without any functional purpose, which are inherited from an older artifact and then help to incorporate new technologies and finally keep a similar business organization.
References


