
This book is not typical of the books reviewed in this journal. Acheson & Maule are (Canadian) economists, and the book, published as part of the Studies in International Economics series by the University of Michigan Press, is primarily targeted at an international audience of economists. However, it is a book about Canadian cultural policy and trade, a topic of interest to many readers of the CJC, and is understandable to the non-economist; there are none of the equations or graphs beloved by many economists. The thesis of the book is that the challenge facing the Canadian cultural industries, arising from the interaction between technology and trade policy in other countries, “requires re-thinking and reorienting domestic policy and promoting an international agreement in which the reduction of protection would be exchanged for ensured access in foreign markets and safeguards tailored to the political sensitivity of the industries” (p. 116).

The book is divided into three parts. Part 1 comprises five chapters that provide background by presenting the issues and setting for the debate over the international governance-structure for the cultural industries. Chapter 1 provides an introduction. Particularly good is the section comparing the alternative cultural-nationalism and open options and the public-policy and trade implications. Chapter 2 examines the technological setting and argues that trade rules need to be sufficiently flexible to accommodate future (sometimes unanticipated) technological developments. Chapter 3 examines the information available to those who develop and debate public policy and laments the continuing lack of reliable data. Any researcher/teacher about to repeat well-known mantras such as “Canada is the second largest television program exporter” or “Audiovisual exports are the second largest contributor to the U.S. balance of payments” should read this chapter and reconsider whether there is any sound basis for such statements. Chapters 4 and 5 provide background on governance of cultural trade under GATT, WTO, FTA, and NAFTA. Much of this is very detailed and somewhat heavy going. Interesting issues include whether the various cultural products are goods or services. The distinction may, in some cases, be virtually meaningless, but it matters because under WTO rules, services can be protected but goods cannot.

Part 2 examines economic dimensions and policies. Chapter 6 analyzes the economic characteristics of the cultural industries in general and the organizational implications. These include non-rivalry and the implications for content and distribution. An interesting numerical example is developed to illustrate that a small domestic market share is not inconsistent with the cultural industries in a small country (such as Canada) competing effectively in the international market, providing creative jobs, and contributing to the balance of payments. The economic characteristics of film and television production in Canada are examined in detail in chapter 7, Canadian film distribution and exhibition and television broadcasting in chapter 8, and publishing, sound recording, and radio in chapter 9. Programs of subsidies, incentives, ownership restrictions, content rules, and other forms of protection are identified. Insights on the effectiveness of such programs are provided and inconsistencies noted. For example, if, as the Department of Heritage (but not the authors) believe, Canadian-owned film distribution companies do a good job distributing Canadian films, why was there official silence when Seagram, a Canadian company, acquired Universal? The three chapters provide a wealth of information on public policy toward the various cultural industries. While government policy has been inward looking, the authors provide evidence—statistical and from public statements such as those found in annual reports—that many of the industry players, small as well as large, are in fact export oriented; the authors question whether the interests of these companies are well served by the current policy approach.
Part 3 examines some of the disputes that have arisen out of the policies and programs described in Part 2 and illustrates the discretion used in the actual implementation of these policies. The cases developed are Sports Illustrated, Country Music Television, satellite broadcasting, Border Books, neighbouring rights, censorship, and film distribution. The authors conclude that culture cannot be removed from the trade negotiating table and that attempts to act as if it can are misguided, for “continuing with these policies will result in retaliation and the stifling of exports, a major source of success for many cultural industries” (p. 338). They consider that protectionist policies dissipate wealth “by orienting Canadian entrepreneurship and skilled people away from competing for an audience here and abroad toward persuading the government to restrain foreign competitors” (p. 326), whereas “the best way to assist domestic industries, cultural and others, is to ensure that they are internationally competitive” (p. 334).

While largely sympathetic to the authors’ view that export-oriented cultural products should not be protected or subsidized, I am sorry that they do not directly address the issue of whether support, on an external consumption-benefits basis, can be justified for the creation of very Canadian specific content, such as a documentary or satire of the Canadian political scene, where chances of a foreign sale are negligible and the domestic market is too small to permit profitable production.

A product of meticulous research, this book is a valuable addition to the literature. Although much of the content has been published before (mostly in international economics and media/cultural economics journals), this book ably ties the components together, updates where necessary, and makes the work more readily accessible. I recommend this book to any communication scholar interested in public policy toward the cultural industries. You may not agree with the conclusions, but unless you have a completely closed mind (unfortunately, my casual observation suggests that a significant number of communication scholars do have closed minds where economics is concerned), you will find the economic approach, with the insights it provides and the fundamental questions it raises about public policy, both informative and interesting. You probably will not wish to read the book cover to cover, however. The detail can be indigestible in large doses, and at times I sympathized with the authors’ wives, who, as Acheson & Maule admit, “have listened to more about the cultural industries and arcane details of trade policy than any person reasonably expects to hear in a lifetime” (p. iv). Excellent introductions to each of the three parts and to each chapter make it easy to find topics of interest. I particularly recommend chapters 1 and 6, which could be usefully included on the reading list of any course dealing with public policy toward the cultural industries. Graduate students in particular will find this an excellent reference book. If you want to know how cultural industries are treated under NAFTA, look at chapter 5; what programs are in place to support film and television production in Canada, turn to chapter 7; the issues raised in the Sports Illustrated case, go to chapter 10; and so on.

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