

## **Microelectronics and the muse:**

**The political economy of literary publishing at the beginning of  
the 21st century.**

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Presented Friday, April 18, 2003 to the

PCA/ACA 2003 National Conference:

A Joint Meeting of the

Popular Culture Association / American Culture Association

Small presses will continue to play a pivotal role in the creation of literary culture, but only those that exploit modern information technologies adeptly will survive and prosper.

Printing press technology has been the cornerstone of literary culture for over 500 years; Gutenberg's innovation has been celebrated as the most important of the last millennium. Yet, literary publishing is widely perceived to be in crisis, caught in the crosswinds of globalized corporate capitalism, breakneck technological change and cutthroat media competition.

Throughout the last century small presses have been a critical component of literary culture. They were sometimes subsidized by wealthy patrons as when the Mellon family supported one of Pantheon's imprints (Schiffrin, p.22), or the Cato Institute's subsidies to Heritage Press (Schiffrin, p.143). However they were configured to survive the challenges of commerce, they were owned and operated for other reasons in addition to financial reward. Publishing was known as a gentlemen's profession, an allusion both to its social status and to the fact that if you intended to pursue the business you would be well advised to be independently wealthy.

This is not to say that it was never lucrative, Hemingway wrote books that sold over a million copies as did Thomas Mann, Sinclair Lewis and others (Schiffrin, p.9); on the other hand the first works of Kafka and Brecht were published with print runs of only several hundred copies (Schiffrin, p.147).

The relationship between literary culture and mass audiences has long been problematic. In the contemporary publishing industry it has given rise to what El País calls "market censorship", publishers' requirement there be a "pre-existing audience for any book" before it is considered worthy of publication (Schiffrin, p.106). A crucial question that this paper addresses is whether technology has changed the publishing process significantly enough to render the mass market model obsolete or even partially superseded for literary purposes.

## ***The death of the book***

### **Critical pronouncements**

Much of the literary criticism of the last half of the 20<sup>th</sup> century seeks to destabilize the conservative assumptions of cultural elitists like T. S. Elliot and F.R. Leavis, who regarded the publisher as filling the role of cultural gatekeeper: the arbiter of literary quality and selector of the cultural heritage in print. For them, publishers were critical collaborators in the creation of the literary canon.

Postmodern critics in particular have attacked the validity of this gatekeeping process. They dismiss the absolute standards of literary quality postulated by the cultural elitists as arbitrary and subjective, rendering the publishers' gatekeeping role invalid and irrelevant.

Some postmodern theorists have been finding vindication in contemporary technology, particularly the rise of Hypertext and the Internet as a mode of publication. These new media seem to offer the opportunity for publishing without books or publishers, for distribution of literature without value judgments or censorship, for the non hierarchical dissemination of all literature and ideas. Postmodernists cite Derrida's equation of print culture with a discredited *logocentrism* as well as Barthes insistence that, "the goal of literary work (of literature as work) is to make the reader no longer a consumer, but a producer of the text" (Barthes, p.4). The non-linearity and non-sequentially of the web combine with its non hierarchical nature in which everything appears interconnected and of equal status to give comfort to those who wish to escape rigid structures.

The postmodernists are not the only ones publishing epitaphs for print culture. Marshall McLuhan's *The Gutenberg Galaxy* is perhaps the best known obituary, but the Marxists also had their turn when Walter Benjamin wrote: "... Everything indicates that the book in this traditional form is nearing its end" (Benjamin, p.77).

### Technological change

Print media are now the fourth largest narrative technology in North America, having been overtaken in purely financial terms by movies, television, and video games. Books are but a fraction of those print media, and literature a fraction of those books.

### Mass market book publishing and the illusion of diversity

Most large book publishers are now owned and controlled by multinational media conglomerates. The profusion of publishing imprints lined up on bookstore shelves gives readers a mistaken impression of diversity. Many of these imprints, virtually all of the well known ones, are owned by a handful of corporations. The German based giant Bertelsmann, for example, owns Random House, Cape, Methuen and Vintage among others. Although there are well over 50,000 book publishers in North America, the top 5 conglomerates control over 80% of book sales (Schiffrin, p.2).

Publisher	Media Conglomerate
Addison-Wesley	Pearson
Penguin	Pearson
Putnam	Pearson
Viking	Pearson
Prentice Hall	Pearson
Simon & Schuster	Viacom
Scribner	Viacom
Virago	AOL TimeWarner
Abacus	AOL TimeWarner
Warner Books	AOL TimeWarner

Little, Brown	AOL TimeWarner
HarperCollins	News Corp.
Flamingo	News Corp.
Fourth Estate	News Corp.
Vintage	Bertelsmann
Methuen	Bertelsmann
Random House	Bertelsmann
Jonathan Cape	Bertelsmann
Knopf	Bertelsmann
Bantam	Bertelsmann
Doubleday	Bertelsmann
Dell	Bertelsmann
Heinemann	Bertelsmann

This consolidation has not made the book publishers financially secure or stable. General Publishing in Canada went bankrupt last year, McFarlane Walter & Ross is scheduled to cease operations as an independent publisher within a few weeks, and Random House recently fired their top editor because she wasn't making a big enough profit. The anemic profit margins of book publishers make them the black sheep of the media conglomerates to which they belong. Nor has corporate concentration reached its limit; Warner Books & Simon & Schuster are both being shopped around at the moment.

The retail side of the industry has undergone a parallel evolution, with the number of independent bookstores plummeting and the growth of chain retailers like Barnes & Noble, Borders and, in Canada, Chapters. These retailers, with their large warehouse

superstores, ample shelf space and tens of thousands of titles in stock, give a misleading impression of diversity and choice. In fact they function like grocery retailers and focus their very considerable resources exclusively on best-sellers. Industry insiders refer to the tens of thousands of titles lining the superstore walls as 'wallpaper' (Kirkpatrick, p.39). They are there simply to create atmosphere to sell the best-sellers; like the overstuffed armchairs and cappuccino machines, the rows of bookshelves serve principally to create the illusion of culture.

### ***The technological rebirth of the book***

In the face of this ominous prognosis for the book industry as it is currently configured, it might seem foolhardy to contradict the chorus of those who foresee the demise of the book. However, the very process of technological innovation that led to the birth of print culture—and now seems to beset it—holds the promise of the rebirth of the book as a literary medium.

Can technology support a literary culture within which individuals exercise choice in ways that are more profound than the illusions generated by the mass market model?

### **Technology and the roles of the publisher**

Whether one takes a conservative elitist or postmodern unstructured approach to the gatekeeping function of literary publishing, survival requires that publishers have ways to defray the costs associated with the activity.

Book publishing is composed of three fundamentally distinct processes: acquisitions, manufacturing, and marketing, so publishers are forever on the lookout for ways to reduce the costs of these.

#### *Acquisitions*

Mass market publishers outsource the manufacturing and invest heavily in the acquisition and marketing phases of their operation. Their success depends on selecting a high proportion of manuscripts which will become best-sellers, then promoting them as effectively as possible.

Their problem is that they do not have a good track record in the selection process. HarperCollins was put in severe financial distress by their payment of \$35 million to Jeffrey Archer, the British conservative author of political thrillers which flopped (Schiffrin, p.81). On the other hand one publisher rejected Orwell's *Animal Farm*, telling him that it was "impossible to sell animal stories in the U.S.A."

The contemporary publishing industry uses a number of shortcuts to streamline the acquisition process: the delegation of the task to literary agents, the search for celebrities to turn into authors, and the attempt to imitate whatever worked last year.

Robertson Davies and others have pointed out that reading is a community activity; the economics of mass market publishing mandate selecting manuscripts that will appeal to a very large community.

Literary publishers need ways of understanding, and responding to, the tastes of smaller and more selective reader communities. Communication tools like the web and email make it economically feasible for the first time for a publisher to engage a community of readers in a dialog which informs their acquisition decisions.

The most adroit publishers will take this a step further and involve both their writers and readers in this progression of open ended conversations into which the publication of books forms a sequence of interjections.

### *Manufacturing*

The manufacturing phase of publishing is being revolutionized by printing on demand technology.

Traditional book publishers print thousands of copies of each book at a time in order to keep the cost per copy at an affordable level. This is a large and risky investment because the publisher has to finance not only the printing costs, but also months or years of warehousing expenses as well as high shipping costs caused by a complex distribution system. On top of this, bookstores can return any unsold inventory to the publisher and demand a full refund.

Printing on demand uses the technology developed for office laser printers, increases its velocity by an order of magnitude and couples it to high speed binding equipment under computer control. The result is a machine that can print the text and cover of a 300 page book then bind and trim it ready for shipment all in a matter of seconds.

This allows a publisher to print, bind, and distribute a single copy of a book at a time, meaning that the publisher does not have to pay for the manufacture of the book until they have already received payment or a firm order for it. This capability completely changes the economics of literary publishing. Instead of risking many thousands of dollars on each title put into print, the publisher risks only a few hundred dollars and can afford to invest comparatively more in acquisitions or design or retail promotion.

High tech investment consultants at the Motley Fool have called this a “disruptive technology”, and it is shaking up the normally staid book publishing industry. Forrester Research estimates that it will grow by 1,600% between 2000 and 2005.

Among the first to jump on this bandwagon have been vanity presses, but there is nothing inherent in the technology which limits its application to this sort of endeavor. It is ideally suited to titles which the publisher feels face a high risk of slow sales (e.g. poetry), and titles for which the publisher anticipates total sales of less than 1,000 copies (e.g., academic monographs, avante garde literature and, yet again, poetry, etc.).

One of the clear benefits of this mode of production is that works of high merit but low demand no longer need to go out of print. The cost of keeping the work available to readers and scholars is negligible even if there is the need for only a handful of copies per year.

Print on demand technology is not without drawbacks; the cost to print each book is higher than if it were produced in high numbers on a traditional press. However Oxford University Press, which uses both print on demand and traditional technology, prices the titles produced by different means at similar levels.

The equipment is expensive to acquire and operate, a capital investment of about \$2 million is required, but the University of Chicago Press has used a grant from the Mellon

foundation to purchase this technology and will make it available to the hundreds of academic and literary presses for which they do wholesale distribution. In addition, there are several commercial printing companies in the USA, Canada and Europe who offer printing on demand services at increasingly competitive rates.

### *Marketing*

The marketing phase of publishing entails both wholesale distribution and retail promotion.

Wholesale distribution in North America has been transformed by information technology, and is dominated by large firms that can afford the sophisticated database infrastructure that lies behind the ability to deliver any book to any corner of the continent within a few days. The rise of amazon.com as a major distribution channel spurred the demand for this level of service as both the chain and independent retailers attempt to match the internet retailer's ability to deliver any title in short order.

Small publishers have access to this wholesale distribution infrastructure, and it has been a boon to them because readers have adopted the mindset that obscure titles are just as easy to acquire as mainstream ones.

The Internet has changed the face of retail promotion; every publisher, big or small, maintains a website to provide information about their titles for potential readers. It is here that the non hierarchical nature of the Web so beloved by postmodernists serves the interests of literary publishers; a website dedicated to the work of a relatively unknown author can be just as rich in culture and content as one devoted to an author who writes best-sellers. The web provides the opportunity to build the community of readers by making it easy for them to interact with each other and share their interpretations and reading experiences.

### **The effects of technology on literary culture**

Community informed acquisition tactics, printing on demand, global database driven distribution and Internet promotion taken as a whole, will allow literary publishers to

escape the “market censorship” trap and publish profitably even if their discerning audiences are modest in size.

It will have a salutary effect on the presence of feminism in print culture because, while not eliminating the publisher’s gatekeeping role, it allows a much wider diversity of gatekeepers. The effect on postcolonial print culture however, will be more varied; the considerable capital cost of the equipment as well as the lack of sophisticated and cheap distribution infrastructure both make it unlikely that print on demand operations will spring up soon outside North America and Europe. On the other hand there exist significant and influential diasporas of most of the world’s indigenous peoples within the Euro/American economies that can employ those economies’ infrastructure.

Regionalism may enjoy a resurgence because it is economically feasible to publish for a geographically limited audience.

I anticipate that these changes in technology will accentuate distinctions in authorial voice because it will reduce the pressure to conform to a rigid publishing model and simultaneously diminish the requirement for subsidies from foundations or government agencies.

The technological evolution of the book publishing process will ensure that the book remains a vibrant and viable medium for literature for some time to come.

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