F. M. Scherer is a lifelong fan of classical music and decided to apply his skills as a professional economist to the field he loves. He set out to analyze the economic basis of the production of music in perhaps its greatest era: the eighteenth and nineteenth centuries. With an impressive series of graphs and statistical tables, he traces the shift from aristocratic and church patronage as the chief form of financial support for composers to a market-based system, in which they earned their living performing at public concerts, selling sheet music of their compositions to amateur players, and pursuing other commercial sources of income. Scherer’s book thus makes an important contribution to the debate over the impact of commerce on culture. Ever since the Romantic era in the early nineteenth century, it has been commonplace to view commerce as the great enemy of culture. Victorian sages such as John Ruskin and William Morris were particularly vehement in their condemnation of capitalism as a force that corrupts the arts and they demanded that artists be shielded from the pressures and vicissitudes of the marketplace. In the twentieth century, this theme was taken up by Marxist culture critics such as Horkheimer and Adorno. Without directly entering into this debate, Scherer offers powerful evidence against the Romantic/ Marxist tradition of demonizing the market for corrupting culture. His book is filled with a wealth of data, and even more importantly a wide range of anecdotal evidence, which shows that composers welcomed the new opportunities provided by the development of a commercial market for music.

Scherer does not argue for the simple superiority of the market over patronage as a way of supporting musical creativity. He in fact gives a judicious and balanced assessment of the advantages and disadvantages of both systems from the viewpoint of composers:

A noble court might provide an ideal environment for the flourishing of creative talent. But the seignior might also have strong preferences as to what kind of music he prefers and insist that his hired composer hew to that line, suppressing compositions that stray from the preferred norm. Alternatively, the free market might provide maximum opportunity for the composer to pursue his most creative instincts, or it might reward disproportionately the composition of unimaginative fluff appealing to some lowest common denominator. (p. 6)
Scherer shows that composers themselves were often of two minds on the issue of patronage vs. the market. Georg Philipp Telemann, for example, began with high expectations for aristocratic support: “if there is anything in the world which encourages a man to improve upon his skills, it is life at Court.” But after several disillusioning experiences with meddlesome and overbearing patrons, Telemann turned to the commercial markets of cities like Frankfurt and Hamburg to earn his living and cautioned his fellow composers: “whoever seeks life-long security must settle in a republic” (p. 94). Given the amount of great music that was produced under the traditional patronage system, it would be futile for Scherer to try to argue that commercial markets provide better support for musical composition. But at the same time, he shows that roughly just as much great music was produced under the new market system, and that is enough to refute the Romantic/Marxist claim that artistic and commercial success are incompatible.

Scherer goes a long way toward demolishing one of the most misleading cultural myths of our day—that the true artist is a pure idealist and scorns all mercenary considerations. Given the cultural elite’s general contempt for capitalism, its members do not wish to believe that pursuing his financial self-interest might be one of the principal and animating motivations of an artistic genius. Yet Scherer finds ample evidence in the biographies and letters of the great composers to prove that money was very much on their minds and the large sums they could command in the marketplace were a source of pride for them. Beethoven wrote to a friend: “My compositions are bringing in a goodly sum. Also, for every work I have six, seven publishers, and if I choose, even more. They do not bargain with me: I demand and they pay” (p. 186). We think of Chopin as the very image of the delicate, almost ethereal Romantic artist, and yet he proved to be quite down-to-earth and even hard-headed in his dealings with publishers: “If Pleyel makes any difficulties go to Schlesinger and tell him I’ll give him the Ballade for France and England for 800 [francs] and the Polonaises for France, England and Germany for 1500 (if that frightens him, suggest 1400, 1300, or even 1200)” (p. 186). With his operatic flare, Verdi gave perhaps the most eloquent expression of a great composer’s unabashed acquisitiveness, celebrating England, the home of the commercial spirit, in the most mercenary terms: “And they pay so much money! Oh, if I could stay here a couple of years, I should like to carry off a sackful of this blessed money” (p. 129).

The important point about the financial motivation of the great composers is that it kept them in touch with their audiences in order to please them, and that proved to be a source of genuine artistic inspiration. Scherer quotes Leopold Mozart’s shrewd advice to his famous son:

> When you have no students around, for God’s sake go out of your way a bit to compose something that will enhance your fame. But short! Easy! Popular! Talk to a publisher, and see what he would most like to have—perhaps easy quartets for two violins, viola, and cello. Do you think you demean yourself writing such things? No way! . . . The little piece is big, when it is light and flows naturally and is well-rooted in fundamentals. Composing in that way is harder than composing most incomprehensible artificial harmonic progressions and songs that are difficult to sing. (p. 188)

According to the Romantic understanding of the artist, Leopold Mozart was all wrong—a composer will compromise his artistic integrity if he worries about pleasing his audience. He should instead scorn their taste and make his compositions as difficult for them as possible. To be sure, there are many cases of composers producing
great music in defiance of the taste and capacity of their audience; one thinks imme-
diately of Beethoven’s late string quartets and piano sonatas, and the movie Amadeus
has propagated the image of Mozart himself as an artistic rebel. But the evidence
Scherer compiles reminds us that unpopularity is no more a guarantee of artistic
greatness than popularity is. Many of the great musical works of the eighteenth and
nineteenth centuries were composed with a view to commercial markets and were
actually made better by the efforts of the composers to satisfy their customers. Arnold
Schnöenberg to the contrary notwithstanding, a beautiful melody is not the worst thing
a composer can come up with.

Quarter Notes and Banknotes is thus a genuinely interdisciplinary book and
shows that an economic perspective can illuminate our understanding of the devel-
opment of classical music. Unfortunately the book is not interdisciplinary enough.
When Scherer wanders away from his chosen fields of economics and music, he
appears to be on unfamiliar and shaky ground. By far the weakest part of the book is
the section on intellectual history, as he tries to show how the Enlightenment provided
the background for the political, social, and economic developments he is tracing. He
credits Locke with being the first to apply “the methodology of the physical sciences”
to philosophic questions, but both Bacon and Hobbes preceded him in that respect
(p. 21). When Scherer gets to Rousseau, he confuses his First Discourse with his Sec-
ond—it is in the latter, and not the former as Scherer claims, that Rousseau discusses
the primitive condition of humanity (p. 22). Scherer incorrectly attributes the phrase
“noble savages” to Rousseau; although the term is associated in the public’s mind
with Rousseau, he himself never used it. When one sees that Scherer cites Rousseau
from a secondary source, Lester Crocker’s The Age of Enlightenment, one begins to
understand how he could make such elementary errors.

Scherer’s limited knowledge of scholarship in the humanities leads him to over-
estimate the originality of his contribution in this book. He seems unaware that many
of the issues he raises have been thoroughly discussed in the fields of art history and
literary criticism. Indeed the importance of the shift from a patronage system to a
market system has become a commonplace in treatments of the transition from the
eighteenth to the nineteenth century in literature. For an excellent case study of this
development, see Alvin Kernan’s Samuel Johnson & the Impact of Print, for a book
that provides detailed economic analyses of the transition (including a novel applica-
tion of the principle of marginal utility to literature), see Lee Erickson’s The Economy
of Literary Form: English Literature and the Industrialization of Publishing,
1800–1850, and for a thought-provoking analysis of the theoretical underpinnings of
the shift from patronage to a market system, see Martha Woodmansee’s The Author,
Art, and the Market: Rereading the History of Aesthetics. If Scherer had glanced at
scholarship in artistic fields other than music, he would actually have found a great
deal of support for the conclusions he draws, but he might have been more subdued
in his efforts to trumpet the originality of his theses.

Indeed Scherer is by no means the first to make these arguments about the devel-
opment of classical music. Musicologists have been advancing similar claims for years,
and even economists have joined the discussion. Tyler Cowen articulates Scherer’s
basic thesis in the chapter “From Bach to the Beatles” in his wonderful book In Praise
of Commercial Culture. Cowen manages to say in about 10 pages what Scherer takes
over 200 pages to say (concision is not one of Scherer’s virtues; his book is very repe-
tituous). Scherer’s argument about the importance of what he calls “magnet cities” in
the development of classical music had already been worked out by Cowen with regard to painting and sculpture in his chapter “The Wealthy City as a Center for Western Art.” Scherer is, to put it mildly, less than generous to Cowen when, in his sole citation to his book, he writes: “Unfortunately Cowen’s chapter 4, on the evolution of musical forms, contains numerous questionable assumptions” (p. 216). By referring to these “numerous questionable assumptions” without criticizing or even specifying them, Scherer leaves his readers with a false impression of Cowen’s book and refuses to acknowledge the way it anticipates a number of his own claims.

If Scherer’s historical claims have been already put forward by many previous authors, perhaps his originality lies in his scientific methodology. I suspect that, if pressed, he would probably stake his true claim to originality on the point that he has proven what previous authors have merely surmised. After all, his book is filled with charts and graphs, and he offers all sorts of numerical data to support his claims. In this respect, Scherer shows that he is a mainstream economist—he believes that he has to back up his argument with mathematics and especially a whole series of regression analyses. But as with much of mainstream economics, the question arises: is this science or pseudo-science? In most of his analyses, Scherer’s task is simplified by the fact that he is arguing for utterly common sense positions, and hence the reader is not tempted to scrutinize his methodology carefully. For example, Scherer goes through an elaborate statistical analysis, complete with the obligatory graph, to show that a piano is a luxury item. Most readers who are not professional pianists could have told him that before picking up his book. One has the illusion after reading Scherer’s analysis that he has scientifically proven what was already known intuitively, but, if pressed, his analyses usually rest on so many questionable assumptions that they are no better grounded epistemologically than the common sense positions he begins with.

For example, in trying to analyze mathematically the financial incentives music publishers offered to composers for different kinds of works (symphonies vs. piano sonatas, for example), Scherer writes: “If one accepts the assumption that the amount of mental and physical effort required to compose a work is roughly proportional to the number of pages the published work covers, we can advance an additional step.” Scherer himself admits: “This assumption is hardly obvious” (p. 193). In fact, it is highly dubious. To take an extreme example, one page of the incredibly complex and concentrated music of Anton Webern probably took more mental effort to compose than whole concerti by Antonio Vivaldi. In general, we know that composers have very different compositional methods, and, if we judge by the manuscripts we have, it certainly appears that writing one page of music cost Beethoven a far greater mental effort than it did Mozart. But after granting similar objections, Scherer just plunges ahead, lamely insisting: “Lacking a clear resolution, we proceed where angels fear to tread.” This makes him sound courageous when in fact his reasoning is simply fallacious. And this is typical of Scherer’s procedure throughout the book; he basically indulges in a kind of wishful thinking. Just because as a mainstream economist he would like his data to be quantifiable, he pretends that it is. Economists may get away with quantifying the output of laborers in the steel industry, for example, but to attempt to measure a composer’s mental effort by the number of pages he produces is obviously illegitimate. In a way, it is reminiscent of the labor theory of value. Scherer will not admit that there is no objective measure of the mental effort of a creative artist; an Austrian economist would immediately see that this is a purely subjective matter and indeed the mental efforts of different composers cannot possibly be measured on a common
scale. Here, as elsewhere in the book, Scherer’s effort to quantify the unquantifiable gives a false aura of scientific validity to his conclusions. It is not that Scherer’s conclusions are wrong; it is just that he does not understand their epistemological status. Throughout the book, he is in fact operating as a cultural historian, trying to interpret a unique and unrepeatable series of events. But he pretends that he is a social scientist, in effect performing experiments and proving his points with a mass of empirical data.

I have one more major quarrel with Scherer, and it is provoked by his conclusion. After marshaling a substantial body of evidence that the market system has provided a solid basis for musical creativity, Scherer again shows that he is a mainstream economist in his unwillingness to leave the market alone. On the basis of questionable evidence, he claims that the marketplace today is no longer capable of providing adequate support for classical music, and consequently calls for government intervention:

The solution to this contemporary “cost disease” problem is subsidy, and hence a reversion to the principal means used to support classical music during the seventeenth and eighteenth centuries. One source of subsidy—more generous on the European continent than in America—is government, which is the analogue of the noble courts that were the principal basis of political governance before the demise of feudalism. (p. 200)

Scherer is offering a false analogy when he identifies the old form of artistic patronage with the modern form of government funding of the arts. To put it bluntly, the National Endowment for the Arts is no Lorenzo the Magnificent and the typical State Council of the Arts is no Frederick the Great. The aristocratic patron was still a kind of customer, and he usually had artistic taste, or access to counselors who could advise him on artistic matters. Thus a composer working for an aristocratic patron still had to please someone, and the result was to keep his music, as it were, honest. Today the purpose of government support for music composition is largely to shield composers from having to please anybody, and the results are quite evident in the relentlessly unpleasant music they produce. Composers submit applications for grants to government committees, which through a heavily bureaucratized process, often involving peer review, choose the winners in a way that usually has more to do with who the composer knows than what he can produce.

To be sure, government granting agencies, having a lot of money to spread around, occasionally more or less by chance end up funding worthwhile projects; it would in fact be difficult to spend millions of dollars and have no worthwhile results whatsoever. And in Europe the lingering effect of aristocratic patronage does mean that a good deal of government funding goes to traditional artistic institutions that have genuine merit, like established opera houses. But support for such elite cultural institutions is increasingly being viewed as undemocratic and unprogressive. And the real question is the overall track record of government funding for the arts, which cannot match the successes of either the patronage or the market system. Bureaucratic funding is in fact probably the single most inefficient and unsuccessful form of supporting the arts ever devised. This is above all true in the area of music, where severing the vital link between composers and their audience has had a disastrous effect on the quality of the works composed in the twentieth century, especially in its second half, when institutional support began to supplant commercial support. Scherer cuts off his analysis before the era of modernist and postmodernist music, which means that he never examines what happened to music when composers turned their
backs completely on the commercial audience and began to compose simply for each other and their academic colleagues (in short, they began to write for peer reviewers, not for a general audience). Nothing has done more to damage the cause of classical music than its retreat into the academy, which has gone hand-in-hand with the shift to government funding of musical composition.

In fact, upon analysis this situation turns out to be a classic case of the harmful effects of government intervention. What we have in government funding is a form of cultural protectionism in music, and the efforts to shield composers from the market have only steered them in the wrong direction of sterile academicism. The truly creative composers of our era, such as the Estonian Arvo Pärt and the Latvian Pēteris Vasks, have actually been successful in the commercial market (in part due to the enterprising efforts of compact disk companies like ECM). But all this is another story, and one which Scherer does not bother to explore. Instead he falls back upon the typical panacea of mainstream economists—government intervention to correct market failures. In this respect, and others I have noted, Quarter Notes and Banknotes is a flawed book, but it is nevertheless worth reading. It does provide a broad overview of the economics of music composition in the eighteenth and nineteenth centuries, and its anecdotal richness makes for interesting reading for lovers of classical music. And in the process, the book gives defenders of the free market ammunition for fighting against the continuing Romantic/Marxist war on commercial culture.

PAUL A. CANTOR
University of Virginia