Stardom and Talent

By

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Introduction

The Economics of Superstars sets out to explain the relationship between talent and success in the arts, but there is no agreement about what this relationship is. Sherwin Rosen, who pioneered the field with his article "The Economics of Superstars" (1981), believes that superstars reach their position because they are more talented than the artists who are less successful than they, but he also believes that the differences in success are far greater than the differences in talent. This author, who wrote "Stardom and Talent" (1985), believes that the puzzle of superstardom is that the stars are often not more talented than many other artists who are far less successful than they. The phenomenon of superstars, according to "Stardom and Talent," is due not to the stars' superior talent, but to the need of consumers for a common culture.

But whatever its other features may be, superstardom means that market output is concentrated on just a few artists. And concentration always raises the question of whether it is efficient. The first examination of this question was conducted by a group of legal scholars whose concern was with the market power of stars not in the market for art, but in the market for symbols. When stars possess the right to the commercial use of their names and images, anyone who wishes to use them, be it on T-shirts, posters or in advertisements, must acquire from the stars the right to do so. Following the arguments of Rosen and Adler the legal scholars argue that those stars who become symbols do not possess any superior "symbol qualities." In fact, these scholars argue, it is the public that produces the symbol, rather than the star, and the publicity rights therefore produce

inefficiency and should be abolished.

This chapter reviews the literature about publicity rights and bases the discussion of inefficiency on economic, instead of moral, arguments. It argues that the key to whether either the market for art or the market for symbols is efficient is whether there are any barriers to entry into either. Perhaps not surprisingly, the answer depends on the cause of superstardom in the first place. If it is due to superior talent or superior symbol qualities, then barriers to entry do not exist and both markets are efficient. If it is due to the need of consumers for common culture, then barriers to entry do exist, and as a result neither market is efficient.

Superstardom may be inefficient not only because it raises prices for consumers but also because it deprives other artists of the opportunity to practice art. The displaced artists lose monetary income, but since what they lose, the stars gain, this loss does not concern us here. What does concern us, however, is that artists who do not practice art also lose psychic income. These losses cannot be transferred to anyone else, and this chapter argues that they may be inefficient.

The first part of this chapter reviews the two theories of superstardom and two theories about the emergence of stars. The efficiency of superstardom is discussed in this part as well. The second part of the chapter deals with the loss of the opportunities to practice art that are caused by superstardom and suggests ways to alleviate the problem. The third part reviews the empirical literature that tests the different theories of superstardom and suggests an additional test.

I. Why Superstardom

According to Rosen (1981), superstardom is due to two factors: a hierarchy of talent, and the perfect, or nearly perfect, reproducibility of art. A good illustration of Rosen's argument comes from the music or theater markets. In the past a singer or an actor, no matter how good she or he was, could serve only a limited number of people. Hence singers and actors of all levels of talent could find audiences. But now that music can be perfectly reproduced on recordings and theater has been supplemented or displaced by movies and videos, every consumer can inexpensively

consume the performances of the most talented artist. And every consumer consuming the best is what superstardom is.

But if the best is significantly better than the rest, then in fact "each consumer consuming the best" is a special case. The best artist is a monopolist, and whether profit maximization calls for a low price and selling to all consumers or a high price and selling only to a few depends on the elasticity of the demand for her product. Only if the demand is highly elastic will it be profit-maximizing to serve the whole market.

Particularly interesting in Rosen's model is the case in which there are several artists with the same top-level talent. Because the average cost of producing CDs is decreasing (the cost of producing the music that is recorded on a CD is a fixed cost), even in this case there will be only one star. But since competition among these top-level artists to become and to remain the star would be fierce, the star would be able to charge only the average cost and would therefore be poor. She wouldn't be able to earn more than what the poorest of her competitors earns in whatever alternative non-artistic occupation she engages in.

Hence in Rosen's model there are two extreme possibilities. If there is an artist who is significantly more talented than the rest, this artist, unless the demand is nearly perfectly elastic, sets a high price for her art and sells it to only a fraction of consumers. If there are many artists of equal talent, one of them serves the whole market, but she is poor. If a star is extremely popular and extremely rich, her talent must be greater than the rest just by the right amount.

This author (1985) does not believe that the existence of superstars is due to differences in talent. He believes that there are many artists who possess stardom-quality talent. What produces superstars, according to the author, is the need on the part of consumers to consume the same art that other consumers do. This need arises from the fact that the consumption of a piece of art is not a momentary experience but a dynamic process in which "the more you know, the more you enjoy." Consumers build "consumption capital" in art, and the larger the capital the greater is the enjoyment from each encounter with the art and the artist (George Stigler and Gary Becker, 1977).

The acquisition of this knowledge occurs in three ways. It can occur as the result of exposure to the art itself; it can occur through discussions about the art with friends or acquaintances; and it can occur by reading about the art in newspapers and magazines. Because finding discussants who are familiar with the art or finding media coverage about it are easier when the artist is popular, consumers prefer to consume what other consumers consume.

Because the number of artists who can be popular at any one time is limited, not all talented artists can be successful. The frustration of an unsuccessful artist does not end with not having an audience, though. She must also suffer consumers' judgment that she deserves her fate. The talents of different artists cannot be compared through a simple "spot check." To be valid, a comparison must hold constant the amount of consumption capital that the consumer has acquired. Otherwise it is easy to conclude that an artist who is not as popular "is not as good." Thus, the hierarchy of success manufactures a hierarchy of pseudo-talent in its own image. And this pseudo-hierarchy ends up justifying it.

The Emergence of Superstars

Rosen's model of superstars relies on known differences in talent and it therefore does not include a process by which superstars emerge. In the article "The Economics of Rising Stars (1988)," Glenn MacDonald defines talent differently, and describes a dynamic process through which stars emerge. MacDonald's definition of talent applies to the performing arts, as does his analysis.

According to MacDonald, every performing artist is capable of producing either a good or a bad performance. The difference in talent between artists is not in the quality of their good performances or their bad performances, which are the same for all artists. The difference in talent is in the probability that a particular performance will be good. This probability is the same throughout the artist's career. But from the vantage point of audiences the probability of a good performance is lower for a new performer than for a known performer. This is because many artists try their luck at performing and those who perform poorly drop out. Those who perform well, on

the other hand, stay, and their probability of performing well in the future is higher. Therefore artists with a good track record can command higher ticket prices and entertain larger audiences. Artists of equal talent do equally well.

This author (Adler, 1985) also describes a dynamic process for the emergence of a star, but in this process the star emerges from among several artists who are all equally talented. Obviously, talent cannot be the determining factor in this process. Instead, consumers select an artist at random when they add a new artist to their consumption basket. It is simply by pure chance that one of these artists ends up with more patrons than the rest. This initial advantage makes the lucky artist the most popular, and since consumers prefer popular artists, other consumers will switch to her as well. An initial advantage can thus snowball into superstardom.

Pure luck is just one possible mechanism for the initial selection, however. Artists do not usually entrust this choice to chance. An author, for instance, may purchase copies of her own book in order to try to push it onto the bestseller list. A musician may pay "payola" to convince a disk jockey to play her music on the radio. And, most importantly, artists use publicity, such as appearances on talk shows and coverage in tabloids and magazines, to signal their popularity. None of this detracts from the possibility, however, that the allocation of publicity resources to artists is independent of differences in artistic talent.[1[1]] We return to this issue in the following section.

The Efficiency of Stardom

The effect on consumers

Are the prices that star charge too high? At least when it comes to music CDs, there is a substantial number of consumers who believe that this is indeed the case. These consumers claim that it is because of these high prices that they shamelessly download music from the Internet.

Economists do not have a yardstick for determining whether prices are too high or too low. But they distinguish between prices that are determined in markets with free entry and markets with barriers to entry. We can analyze the issue of market power via the example of the market for

[1[1]] This raises the possibility that the star would be an artist of a lesser talent. See Adler (1985) and Holger Bonus and Dieter Ronte (1997).

music CDs.

Entry into a market is said to be free if an artist who is as talented as the star can offer her CDs for a slightly lower price and capture the market. According to Rosen, this is indeed the case, and the art market is therefore efficient. In Adler's model consumers prefer the most popular artist and, therefore, even an artist who is as talented as the star cannot entice audiences away from the star, not even by offering a lower price. In this model, then, entry is not free, and there are theoretical grounds for government control of prices.

Lex Borghans and Loek Groot (1998) show that Rosen's theory is not sufficient to produce superstardom. Once the necessary condition for superstardom is added to the theory, they argue, entry into the art market is not free anymore, and the art market is, therefore, not efficient. Unwittingly, though, Borghans and Groot's addition turns Rosen's theory into Adler's theory. This is ironic because Borghans and Groot state that they do not believe in Adler's theory.

Borghans and Groot's object to Adler's theory because they argue that if there are several artists who have the potential of being a superstar, each would invest resources in enhancing her chances to be the one. As a result the total income of the superstar will decrease. While this is, of course, true, Borghans and Groot acknowledge that the maximum that an artist would be willing to invest in promotion is the expected value of becoming a superstar. If there are many artists with the same superstar-potential the probability that any particular one will become the winner is low, and the expected value of becoming a superstar is, therefore, low as well. Thus, each artist's investment in promotion is small and the lucky superstar's income, even after accounting for the promotion expenses, is large.[2[2]]

Borghans and Groot begin their analysis of Rosen's theory by proving that just talent differences and the reproducibility of art are not sufficient to produce superstar earnings. Their proof is via an example of n consumers and n artists, but the case of 2 consumers and 2 artists is just as illustrative.

[2[2]] Borghans and Groot, p. 557.

Assume that art cannot be replicated, and that the cost of producing art is zero. Assume also that artist A is less talented than artist B, that the consumers are identical, and that the consumers' reservation prices for the art of A and B are $1 and $2 respectively. Finally assume that artist A charges $1 for his art, which he sells to consumer *a*, and artist B charges $2 for her art, which she sells to consumer *b*; with these prices, each consumer is equally satisfied. In other words, the lower price that artist A charges constitutes full compensation for his lower talent. Now suppose that all of a sudden art can be replicated costlessly. Intuition may lead one to believe that by selling to both consumers artist B would be able to increase her income, but Borghans and Groot show that this is actually not the case. If B were to charge more than $1, say $1.5, she would lose both her customers to artist A who would charge a low price, say of $.25, and capture the whole market. Hence, competition would force the superstar to charge only $1 and earn exactly the same income that she would have earned had replication not been possible.

Borghans and Groot argue that something else must explain the high incomes of the superstars. It must be that consumers stay with the superstar even when there is another artist who charges a price that is so low that it is sufficient to compensate them for his smaller talent. According to Borghans and Groot the reason for this loyalty is that consumers prefer to "watch the performance of someone known to be "the best.'"

The problem with this argument is that it is contradictory. If the lower price already constitutes full compensation for the smaller talent, why would the consumer still prefer to watch the "best"?[3[3]] Substitute "most popular" for "the best" in their statement, however, and the argument, now identical to Adler's, is consistent. When replication is not possible a price difference compensates consumers for the talent difference, and each artist is equally popular (or equally unpopular). When replication becomes possible the same price difference continues to compensate consumers for the talent difference, but it does not compensate them for the difference in popularity, which exists when all consumers patronize the same artist. Of course, if consumers

[3[3]] There must be a price differential that is constitutes full compensation for the talent differential, because otherwise there would be no equilibrium in the world in which replication is not possible.

value popularity no difference in talent is required to produce it.

Publicity Rights

The most novel challenge to the efficiency of the stardom system comes from the literature about publicity rights. The seminal article in this literature is by Michael Madow (1993) who argues that the existence of these rights is inefficient because these rights restrict the public's use of symbols. Of course, any time that a seller charges for her good she restricts the use of it. When a farmer charges for milk, she also restricts its use. But Madow argues that unlike the farmer the star is not the sole creator of the symbol that she comes to embody. The public and the media are also partners in that creation.

Madow cites as an example a greeting card that carries the photograph of John Wayne wearing lipstick. The card's message is, probably, that masculinity and homosexuality are not contradictory. But whatever the exact message is, it is clear that John Wayne was not its creator. Had the greeting card company had to pay for the use of the photograph it would have paid for a symbol that was in large part its own creation.

Furthermore, Wayne might well have refused to sell his image for this use. In fact, during hearings on a bill to create publicity rights in New York State (in 1989), Wayne's children cited this "abuse" of their father's image as a justification for the bill. Thus publicity rights amount to censorship.

While the distance between a star's intentions and actual symbol may be larger in this particular case than it is in most other cases, Madow argues that a large distance is nevertheless typical. Even the U.S. military does not treat Wayne as a positive hero, according to Madow, because when it warns soldiers against taking foolish risks, it admonishes them not to "John Wayne it." Nevertheless, do stars deserve to have publicity rights in those cases in which they are indeed the creators of the symbols that they become? If the stars had not created these symbols, consumers would have created them themselves, Madow argues, perhaps through the snowballing process

suggested by Adler.

As an example for this process Madow cites the emergence of Einstein as the symbol of genius. According to Marshall Missner who researched Einstein's rise to fame, Bohr and Schrodinger made equally great contributions to science. It was serendipity that favored Einstein. In 1921 he came to New York as a member of a Zionist delegation that was headed by Chaim Weizman, the head of the Zionist movement at the time. Thousands of New York Jews went to the port to greet the Zionist delegation, but the newspapers reported that the enthusiasm was not for Weizman and Zionism but for Einstein and Relativity. This made Einstein a subject of newspapers interviews, and propelled his ascendance as the symbol of genius.

The moral justification for the existence of publicity rights notwithstanding, the question is whether stars can charge prices that are inefficiently high for these rights. Can a star who is not a symbol offer to serve as a symbol at a lower price, and enter the market? Even if a star could turn herself into a symbol at will, she could not do so overnight, since she would need the active participation of the public. Hence there are barriers to entry into the market for symbols, and the prices charged for the use of publicity rights are probably inefficiently high.

II. Superstars and Other Artists

Are There Too Many Artists?

According to Robert Frank and Philip Cook in their book The Winner-Take-All Society (1995), the large incomes that superstars earn cause too many artists (and athletes) to attempt to be the winners. While seeking stardom these "surplus" artists forego income from non-artistic jobs and some may even neglect the normal education that would have permitted them to earn high incomes doing regular jobs. Hence false dreams of success may cause poverty. Frank and Cook call on the government to limit the remuneration of artists in order to make superstardom less attractive.

In his review of Frank and Cook's book Sherwin Rosen (1996) is skeptical about the empirical relevance of their argument. He believes that artists (and athletes) who seek success learn what their personal odds are quickly and when these odds are low they quit the field rapidly. He

also believes that the effect of false dreams on the rate of poverty is negligible. In general, the poor are not poor because they dream of being rich, according to Rosen.

Superstardom and the Psychic Income of Artists

Artists derive psychic income from practicing art. Although few would dispute this, economists have succeeded in estimating its value (Joan Jeffri (1991), David Throsby (1992), Wassall and Alper (1992), Menger and Gurgand (1996)). When artists do not practice art this psychic income is lost. And because psychic income is not transferable, under certain conditions this loss of psychic income is inefficient.

In regular markets when a business fails its loss is another business's gain. But when an artist cannot practice art because consumers flock to superstars, her loss of psychic income is not transferred either to the superstar or to her audiences.[4[4]] It is simply lost. This loss would only be efficient if there are other gains from superstardom that exceed this loss. Whether there are depends first of all on what gives rise to superstardom to begin with.

If artists were displaced because they are less talented, as in Rosen's model, then their displacement would be efficient. Why encourage anyone to produce an inferior product? But if the displaced artists are just as talented as the stars, and the only reason they are displaced is that consumers prefer popular artists, then the benefits to the artists from practicing art must be weighed against the cost to consumers from decreasing the concentration in the art market.

There is no doubt that a certain degree of concentration in the arts is efficient. If every consumer patronized a different artist there would be no common culture. But is more concentration always better than less concentration? What needs to be determined is what would be the cost to consumers of a government policy that would increase the number of artists, for example, by increasing the number of national cultures through local content laws. Once this cost is

[4[4]] This assumes that artistic psychic income, while perhaps requiring a minimum audience size in order to exist, does not increase with size. Popularity also produces psychic income, and it obviously does increase with size. But in this case the loss of one artist is the gain of another and it is not of our concern here.

known, it could be compared to the gains in the psychic incomes of artists that the policy would produce.

It must first be noted, however, that even when superstardom does not maximize the sum of consumers' and producers' surpluses, it is nevertheless Pareto efficient. This is because the artists who would gain psychic income from government intervention would not be able to share these gains with consumers. Once again it is the non-transferability of psychic income that interferes.

Before we analyze psychic income in the arts exclusively, though, it is necessary to determine whether psychic income in non-artistic occupations is indeed different from it. Should the psychic incomes of plumbers, carpenters and of other non-artistic occupations also be the subject of public policy?

Psychic Income in Non-Artistic Occupations

When it comes to non-artistic occupations, it may be argued either that workers already have sufficient opportunities to practice them (assuming there is full employment) or, when this is not the case, that creating such opportunities would be too costly to consumers.

The market for plumbers is an example of the first category. When it comes to choosing a plumber consumers do not value popularity. Therefore a plumber who is as good as any other plumber would have just as much work, and no psychic income is being lost in this market.

The market for carpenters, however, falls within the second category. There is no doubt that there are many individuals who want to work as carpenters and are not able to do so simply because fewer carpenters are needed. But the cause of this situation is the mechanization of carpentry, and it is probably safe to say that the gains to consumers from mechanization far exceed the losses in psychic income to those who are denied the opportunity to be carpenters. As a result, government intervention is not called for in this case either. In the case of art the answer is not so clear-cut, and it requires taking some measurements.

Measuring the Value of Superstardom to Consumers

While the value of superstardom to consumers is not directly observable, it can be estimated

through its effect on the demand for art. For example, suppose that the degree of concentration, measured as the percentage of local content, is included as an explanatory variable in the demand for CDs, and it is discovered that the concentration elasticity is 5. In addition, suppose that the price elasticity of the demand for CDs is 1. In this case a 1% increase in local content is equivalent to a 5% increase in the price of CDs. The loss in consumer and producer surpluses from an increase in local content can therefore be estimated through a calculation of the loss in surpluses from an equivalent increase in price.

Countries with "local content" laws provide "natural experiments" for estimating the concentration elasticity of the demand for CDs. [5[5]] France, for instance, passed a law in the beginning of the 1990s that requires that 40% of all songs played on the radio be in French. Catalonia enacted a similar law in 2000. In Canada the requirement is that Canadian music represent 35% of the music played. If the laws are effective, then the sales of CDs should have decreased after they were first introduced, providing one set of natural experiments.

Another set of natural experiments is likely to take place in the near future, since these laws are being criticized by the U.S. government as illegal barriers for international trade, and are likely to be changed.

Government Policy and the Optimal Number of Artists

Although one way to deal with excessive concentration in the art market is through local content laws, in a country like the U.S., for instance, this is not possible. In the U.S. most, if not all, the content on the radio or TV is local (i.e. domestic). The means for reducing concentration in such a case may be a tax.

Artists are losing psychic income because of an externality. A consumer who flocks to a star instead of patronizing a lesser-known artist disregards the loss of psychic income that she inflicts on that artist. This externality can be internalized by a Pigouvian tax, but implementing the tax poses a unique problem. While a consumer should pay the tax if she flocks to a star who is

5[5] Source: The 2000 and 2003 National Trade Estimate Report on Foreign Trade Barriers, office of the U.S. Trade Representative.

already overly popular, she should not pay the tax if she were one of the star's first patrons. How could the "first" patrons be distinguished from the "rest"?

A way to implement a discriminatory tax is as follows. Let the total number of consumers be C and let the optimal number of artists be N, and assume that each consumer buys one CD. Any consumer would have to pay a tax, which is really a sales tax, whenever she buys a CD. At the same time, however, the government would issue each person who claims to be an artist a book with C/N tax-rebate certificates. The artist would distribute these certificates, which bear her name, free of charge, to consumers who would then present their certificates to the government for payment. The sale or resale of rebate certificates would be illegal.

The number of artists who receive the rebate books may be large, far exceeding N, but the number who end up having patrons would nevertheless be the optimal number. This is because consumers will prefer the most popular artist who is not yet "full." Thus a successful artist would sell C/N CDs. The level of the tax will be set sufficiently high to discourage consumers from paying the tax and flocking.

It should be emphasized that under this system it is consumers, not the government, who determine who the successful artists are, and that no consumer actually pays the tax, because each gets a rebate. Nevertheless, the artists are still being subsidized, because consumers end up spending more on collecting information about "their" artists than they would under the unencumbered superstardom system. Of course, like with any other tax policy the cost of implementing this policy should be included in any cost-benefit analysis that was done to evaluate its desirability.

III. Empirical Testing of Superstardom Theories

Is stardom the reward for superior talent or does stardom arise because of consumers' need for a common culture? This section reviews the studies and makes a suggestion for an additional test.

Whereas talent in general is not measurable, the harmonic quality of a singer's voice is. William Hamlen (1991, 1994) measured the relationship between it and record sales and discovered that record sales do increase with the quality of the voice, but that the differences in talent far exceed the differences in sales. Hamlen interprets this result as being inconsistent with Rosen's "reward for talent" explanation, but Günther G. Schulze (2003) argues that "it is by no means clear that the harmonic content of voice is the relevant measure for artistic quality for singers of non-classical music (rock, folk and so on)." There is no doubt that the quality of the songs, not just the quality of the voice, must be measured as well, but this may not be measurable.[6[6]]

Kee Chung and Raymond Cox take another approach to testing the two theories. They show that the distribution of success among artists follows a snowballing process (a Yule distribution). In that process the probability that a consumer would buy a particular CD increases with the number of previous sales of that CD. There always remains a small probability that a consumer will choose a new CD that no other consumer has yet bought and, when this happens, this small advantage, because of copying by other consumers, may snowball into success. Chung and Cox believe that this lends support to Adler's theory over Rosen's, but Schulze (2003) argues that the process is also consistent with consumers' choices that are based on talent.

Regardless of whether one agrees with Chung and Cox, their study shows clearly how important it is for artists to have an initial advantage. But how do artists acquire this advantage? Do they employ techniques that emphasize their talent, or do they choose entirely unrelated means? The proverbial "casting couch" comes to mind, but what is required is a systematic study of a sizeable sample. It is in the initial stages of a career that the role of talent vis à vis the role of unrelated factors can be distinguished most clearly.

One example of how an initial advantage is generated is provided by Victor A. Ginsburgh

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[6[6]] Hamlen also finds that success in the singles market leads to success in the regular album market, but this finding is consistent with both theories of stardom and is therefore not informative. A consumer may buy the full album either because she liked the single or because the success of the single is a signal that the artist is popular.

and Jan C. van Ours (2003) in an article about the Queen Elizabeth Piano Competition. Pianists who achieve high success in the competition are rewarded by subsequent success. While this may appear to be as it should be, Ginsburgh and van Ours discovered that the order in which the pianists perform in the competition -- which is assigned randomly – affects the results of the competition. Since success in the competition is random, why does it influence subsequent success in the market place? The answer may be that success in the competition serves not as indicator of who has the most talent (consumers may even believe that all who make it into the finals are equally talented) but as a focal point for consumers who wish to listen to artists that others listen to.

Cultural and Sport Economics

Talent differences are easier to measure in sports than in art, and Bruce Seaman (2003) wonders whether it is possible to learn from the relationship between talent and income in sports about the relationship between talent and income in art. Seaman found only two studies about talent and income in sports. The first is by Lucifora and Simmons (2003), about Italian soccer. This study shows that the distribution of soccer players' income is more skewed than the distribution of talent, and Lucifora and Simmons attribute this finding to audiences' preference for watching star players over watching equally talented but less well known players. This may be a confirmation of Adler's theory that consumers prefer to watch players or artists who they and other spectators are already familiar with. The preference for familiar athletes may also explain the finding that the income of baseball batters increases with experience rather than with productivity (Blass, 1992).

It is important, however, to note some differences between art and sports that diminish the value of sports economics for the understanding of art economics. Sports are competitive and in a competition every competitor must accomplish the same task. For example, in a country where Suomi wrestling does not exist an athlete who is a great Suomi wrestler and only a mediocre football player will have to play football. In art there is no mold, however, and therefore an artist has more opportunities to display his or her idiosyncratic talent. It is this lack of standards in the arts that on the one hand makes it impossible to compare the talents of different artist and on the

other suggests that the talent differences among artists are smaller than the talent differences among athletes.

Conclusion

As the debate about the international enforcements of copyrights makes clear, globalization intensifies the phenomenon of superstardom. A global culture, with a global set of superstars, is replacing local cultures with local stars, and it is therefore important to know its consequences for consumers, artists and art. Economists have started to examine these questions only very recently. As this chapter has shown, there are those who believe that the global superstars will simply be the best artists on the planet. From their vantage point, there is no reason for concern.

However, this chapter has also shown that it is possible that a single global culture will destroy local cultures not because it is better but simply because it is global. If the emergence of a global culture cannot be stopped, and if this culture does not have to be superior to be triumphant, the question becomes how to democratize the process that builds this culture. "The Economics of Superstars" is thus rife with open questions.

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