

Celso Furtado: culture and creativity matter¹

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Abstract

This article deals with the relationship between development, creativity, and culture. It is based upon the works of Celso Furtado, Brazilian economist, member of ECLAC's first generation of scholars along with Raul Prebisch, and notable intellectual of sub-development and development in Brazil and Latin America. For the author, economic development is an endogenous social process, which leads to human ingenuity and creativity. However, Furtado argues that creativity does not occur haphazardly. It is conditioned by cultural structures which can be manifested in two forms: material (means) or immaterial (ends). The former orients creativity to serve material accumulation and consumption; the latter towards individuals' existential way of life. Furtado's central claim is that in the "industrial civilization", values such as rationality and efficiency end up submitting human creativity to the production process.

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1. Introduction

In the conventional approaches to economic development, creativity and culture are almost always left aside. For this reason, anthropologists and sociologists, alongside a small number of economists, began to gain prominence in analyzing such issues, which include ethical, moral,

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and religious values and attitudes embraced by social groups and communities.² Celso Furtado (1978; 1984; 2012) and Amartya Sen (2002; 2005) are among the few economists which have connected, or endogenized, culture to economic development.

Since the 1950s, there are essentially two broad groups of authors who study these phenomena, with opposing visions (see Yousfi, 2007; Szirmai, 2005). On one hand, there is a school that considers culture as an autonomous and determinant system of the economic process; Max Weber (1930) stands out as an example of these the so-called ‘genuine’ group of authors. On the other hand, is the group defending economic development as dominant camp which includes authors of the Marxist and Structuralist traditions. Among these lines of thought are two competing arguments: cultural relativism (or multiculturalism) on one hand, supported by authors such as Sen (2005; 2006); and modernization theory (or universal culture) on the other, this one led by authors like T. Parsons (1967) and S. Huntington (1968).

In his works, Celso Furtado highlighted creativity and culture as fundamental factors for development.³ Two aspects set Furtado apart from other authors. First, he considered culture a value system dialectically defined (which could be determinant or determined): a function of the social (creative) process and the way in which this process relates to the cultural system. Second, because he distanced himself from his Structuralist ECLAC-based colleagues, for seeing creativity and culture as 1) endogenous elements to development, and 2) important parts of the dependent relationship between peripheral (Latin American) and central nations, owners of the so-called “industrial civilization”. In this context, one fundamental point in his reflections is that the individual is not only the heir to a given culture, it can also transform and improve it.

² A good portrait of this situation is offered in the book organized by Harrison & Huntington (2000).

³ Brazilian economist (1920-2004) of the Structuralist tradition, key figure in the Economic Commission for Latin America’ (ECLAC) classic school, and one of the most important figures in the study of Latin America’s development and sub-development struggles.

The goal of this paper is to attempt to capture the analytical structure in Celso Furtado's reflections about creativity and culture in connection with economic development. In order to do so, this paper has two main Sections – aside from this brief intro and concluding remarks: one dealing with the connection between development, creativity, and culture; the other, exploring the relationship between State, creativity, and culture.

2. Development, creativity, and culture

Furtado surprises by adopting a critical stance towards “industrial civilization”, since for him it invariably submits intangible cultural values to material cultural values and activities, i.e. to capital accumulation and consumption diversification in an infinite perspective, thereby risking one's capacity to recognize itself in its own universe. He formulated his critical approach in 1978, in the book *Criatividade e dependência na civilização industrial* (Creativity and Dependence in Industrial Civilization), to then return to the theme in 1984, in a fragmented manner, with *Cultura e desenvolvimento em época de crise* (Culture and Development in Times of Crisis). Later on in 2012, after his death, a new book was published, organized by Rosa F. D'Aguiar Furtado. Entitled *Ensaios sobre cultura e o Ministério da Cultura* (Essays on culture and the Ministry of Culture), it brought a series of reflections and essays he produced in the 1980s and 1990s, including his speech when he took office as Brazil's Ministry of Culture (1986-1988). In these writings, one finds a somewhat more pragmatic Celso Furtado, attentive to public policies towards promoting creativity and culture in Brazil.

Furtado's concerns about creativity and culture emerge after his time at UK's Cambridge University (1974-1975), when he engaged in an intellectual effort over the “idea of a

reconstruction of political economy” (Furtado, 2014, 518).⁴ During this period, he becomes aware of a gap in the economic theories of development regarding “cultural creativity”. In tandem, he watched a scenario where the “industrial civilization” reached a concerning stage, with increasing global capital concentration, and dominating role of multinational companies upon nation-states. For him, the autonomy of national economies – as well as that of individuals – was reducing, and the “project” of economic development was not upholding its essential role in peripheral countries (that of satisfying peoples’ basic needs), actually inhibiting individuals’ creativities and immaterial culture. Such position gained darker and more pessimistic tones when Furtado visits Brazil in the mid-1970s, where he finds high levels of social exclusion.⁵

Consequently, in his view, “political will” – the greatest symbol of human creativity – was being neutralized by the excessively consumerist tendency found in Western societies. This was a consequence of goods being increasingly diversified and sophisticated, a tendency stimulated by a sort of economic theocracy, whose essence was found in profit and capital accumulation. He seemed bothered by the narrowness in vision from many social sciences – especially Economy – which stopped them from critically seeing and engaging with such phenomena (see Bosi, 2008, 10).

For Furtado (1984; 2008), economic development is a social process of structural transformation. Since it results from human ingenuity, it has an endogenous nature, visible in the moment when economic surplus is created. It emerges in the social division of labor, as a consequence of

⁴ It is worth pointing out that Furtado had already been in Cambridge in the 1950s, where he had the opportunity to connect with the first generation of Keynes’ pupils, such as Richard Kahn, Joan Robinson, Nicholas Kaldor, and Piero Sraffa (Furtado, 2014, 518). After this period in Cambridge, Furtado would go on to publish *O mito do desenvolvimento econômico*, (1974), *Prefácio a Nova Economia Política* (1976), *Criatividade e dependência* (1978), and *Pequena introdução ao desenvolvimento* (1980).

⁵ Celso Furtado stayed in Brazil for six months in 1975 to lecture a course on development at the Pontifical Catholic University of Sao Paulo (PUC-SP).

technological innovation – which itself is a product of human creativity. For the author, innovation is not simply an answer to a challenge, but “a manifestation of a [projected] possibility”. As the process moves forward through accumulation, production, and consumption, it stimulates man’s capacity to recreate social order as distributional conflicts arise from dividing the final product. Even though he didn’t give explicit treatment to the issue of freedom as Sen (1999) did, this element emerges in Furtado’s arrangement as a fundamental source of liberation of human energies responsible for ruptures and discontinuities of the social development process.⁶

Furtado unambiguously affirms that development’s endogeneity comes from no other source than from the act of social invention, a result of human intentionality. For him, the individual “is seen as a transformation factor, both in the social and ecological process in which he is inserted, as within himself” (Furtado, 1984, 105). Through this process, man advances in its own development inasmuch as he is capable to transform this context and reach its own virtues. Furtado concludes by stating “societies are considered developed to the degree in which man can fully be successful in satisfying its needs, manifesting its aspirations, and exercise its creative genius” (Furtado, 1984, 105). In sum, for Furtado, man is much more than simply a factor of production, or “human capital”: it is itself the inventor and re-inventor of social process, taking advantage of its own learning capability.

Under these conditions, man acquires creative capability to generate economic surplus aiming to serve and “enrich his universe of values”, and when “accumulation leads to the creation of values that are dispersed in important segments of the collectivity” (Furtado, 1984, 107). Thus, Furtado

⁶ It is interesting to note that in this phase, the structure of his conception of development is more sophisticated than in previous works. In the initial period, his approach was more technical, and he didn’t incorporate notions of endogeneity, creativity, or culture.

admits that man, in a certain moment of the social process needs 1) techniques and instruments – or *means* – to act, while at other times it needs 2) values (ethical, moral, and religious) – i.e. *ends* – to help him better distribute the final product of its labor. The end values serve as a guide to crafting a sense of social justice among people so that, through politics, they can build social contracts.

In general lines, Furtado considers creativity as an intrinsically human capacity, ready to manifest itself in the face of needs and challenges as well as capable of being used in planning the creation of new possibilities. Creativity can be known from individual and social attitudes capable of producing new things, i.e. “exceptional works that enrich humanity’s heritage (...), works that are immediately incorporated to the day-to-day living of certain communities” (Furtado, 2008, 94). In other words, it can either serve to produce new economic surplus, or build new cultures. It is important to highlight that, for the author, the manifestation of creativity “does not occur erratically”, with no reason (Furtado, 2008, 113). For Furtado there is a “matrix of creative activity” fed by two types of needs: 1) the “need for self-identification”; and 2) the “need to position oneself in the universe”, this one related to philosophical reflections, mystical meditations, artistic inventions, basic scientific research, etc.

From one aspect, there is the fundamental matrix for human creativity, where one finds the essence of its existence. From the other, the author argues there is also a “structured space” which works by conditioning creative acts: such space is built by culture. For Furtado (1984), culture is divided into two fields: the material and the immaterial. The first comes from the culture of production (knowledge and status of technology), and follows the logic of *means*, which is the logic of man’s material survival. The second derives from basic science, art, philosophy, religion, moral values, traditions, etc.; it follows the logic of *ends*, which is the logic

of man's own existence. The great question for Furtado is that in the "industrial civilization" (under bourgeois hegemony) immaterial culture has become submitted to the logic of *means*, determined by rationality, efficiency, accumulation, and diversification and sophistication of consumption patterns. Such process is legitimized by the "ideology of progress", under which one can project a future vision of abundance and improvements for all, being therefore responsible for constructing social cohesion among many social groups.

For the author, if the submission of immaterial culture to economic utilitarianism is a reality in the central economies in the cradle of the "industrial civilization", it is even more evident and outraging in peripheral economies experimenting a late industrialization (especially in Latin American economies). In these economies, the process of cultural submission was characterized by Furtado as being one of the faces of peripheral countries' dependency to central countries. Besides being financially and technologically dependent, peripheral societies began to lose their cultural identity and to depend on a foreign cultural pattern. Such alienation resulted from the import substitution industrialization process, which relied upon multinational corporations to produce durable consumer goods for local elites, imitating consumption patterns from the central economies.⁷ Since then, a socio-cultural order was erected to fulfill this logic.

In the case of peripheral countries, besides the "ideology of progress", there is also the "ideology of development". Together, such ideas allowed a double vision of a promising future for these economies and its people. In Latin America, such ideologies reached their apex during military dictatorships through the "conservative modernization" project, known for the combination of accelerated market relations, diversification of consumption patterns, and social exclusion. It was not a coincidence that during this time Latin American societies deepened their integration with

⁷ At this point Furtado converges with Veblen [(1899);1983]] on the idea of "conspicuous consumption".

the “industrial civilization” at the same time they saw their creative capacities mitigated by authoritarianism.

This led to what Furtado called “the myth of economic development”⁸, a sort of development trap driven by growth at any cost, regardless of destructive effects upon lower social classes, or peripheral countries’ environment and cultural values. From Furtado’s analytical scheme, one can deduce that the main piece in this trap is cultural mimicry, responsible for “cultural creativity” restriction in Latin American economies. In this perspective, Furtado (1974) begins to disbelieve in growth trajectories based upon consumption patterns from developed, central countries. For him,

“in terms of devastation of the physical world, the cost of this lifestyle is so high that all attempts to generalize it would inevitably lead to an entire civilizational collapse, putting in risk all possibilities of human survival. We thereby have definite proof that *economic development* – the idea that poor people could one day enjoy the current lifestyle of the rich – is simply unattainable” (Furtado, 2014, 521).⁹

3. State, creativity and culture

Nowadays there is a certain degree of clarity regarding when and how the State should intervene in economic matters. However, the same is not evident in the realms of creativity and culture.

There are essentially two elements which hinder a precise definition for the State's role in these

⁸ This concept, or conviction, was built by the author in his 1974 work *O mito do desenvolvimento* [The development myth].

⁹ At the time when Furtado wrote *O mito do desenvolvimento* (The development myth], he was open to the contents from the report *The Limits of Growth*, based upon the Roma Report (authored by D. H. Meadows, D.L. Meadows, J. Rander and W. Behrens III). This information was confirmed through personal communication with Rosa Freire D’Aguiar Furtado (Celso Furtado’s widow).

areas: the first refers to their complexity; the second, to the vagueness over “pricing” cultural products, whether tangible or intangible.

The complexity of these challenges is explainable, as creativity and culture are bearers of symbols and traditions. Thus, they can be used as tools for alienation and social domination by political groups. This issue was largely studied by Marxist and Gramscian traditions, as well as by the Frankfurt School, in an effort to show the ideological domination exerted by the ruling classes and cultural industries. Still, despite the efforts of economists (such as Baumol & Bowen, 1965) to generate parameters for cultural policies, pricing cultural goods and services and the contents of cultural processes remains a great challenge. This difficulty has increased with the intensified use of digital technology as means of cultural production and diffusion.

Despite the difficulties, there are consolidated consensus regarding the goals to be reached and topics to be dealt with by public policy regarding creativity and culture, whether fulfilling economic gaps left by developed countries' de-industrialization or leveraging developing countries' growth and job creation. Many countries' governments have been implementing strategies aiming at the development of creative and cultural industries. Such policies have received intellectual and political support from international organizations such as the United Nations (UN), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the United Nations Conference on Trade and Development (UNCTAD). The central focus of these policies has been cultural identity and heritage, as well as the production of cultural products.

Celso Furtado's reflections over the relationship between development, creativity, and culture foreshadowed recent initiatives in these areas, while also being more critical. Instead of straightforwardly endorsing the production of goods, his public policy proposals are directed

towards promotion of the conditions and generating sources of creativity and culture. His proposals also treat cultural policies as part of a set of social policies within the context of a dependent society, characterized by income and wealth concentration and lacking access to cultural values. In his words, "what we call cultural policy is nothing more than an unfolding and deepening of social policy" (Furtado, 1986a; 2012, 63).

For Furtado, in such scenario, the State cannot be at the service of any specific group, such as the so-called cultivated elites: it should be "instrument of people who are free" (Furtado, 1987; 2012, 95). Having said that, the author believes that for a cultural policy to take place, it is necessary that "active citizenship [*cidadania*] be supported by a climate of freedom, without which the most noble forms of creation will be suffocated"(Furtado, 1986b; 2012, 103). Besides freedom, Furtado considers it important that society's economic surplus envisages three groups of necessities: 1) basic (food, clothing, etc.); 2) instinctive (conviviality, communication, etc.); and 3) human-specific (world and self-knowledge, religious feelings, aesthetic feelings, etc.). For the author, there seems to be no doubt that his last group of necessities – fueled by freedom – occupies a privileged position in the development process, for it is society's spiritual camp: "that which enriches men's lives in all its manifestations" (Furtado, 1987; 2012, 92).

As Minister of Culture, Celso Furtado tried to focus upon elements which could endogenously stimulate the promoting sources of creativity and reinvigorate genuine cultural values through the following means: preservation of cultural heritage and memory; stimulating people's creativity; defense of cultural identity; democratized access to cultural values; and preserving popular creative forces. For Furtado, between growth and active citizenship, culture provides the element of utopia.

4. Final Considerations

Celso Furtado's reflections during the second half of the 1970s to the early 1980s, even if not well known nowadays inside and outside Brazil, brought great renovation to the studies of development and sub-development. Faithful to the historical-structural line of thought – hallmark of the classic ECLAC School – he established a fruitful dialogue with the frontier of knowledge in the field of economic development (anthropology, sociology, philosophy). With intellectual autonomy, he expanded this field by bringing in the lost link of "cultural creativity", which has both political and environmental contemporary relevance. He did it critically and courageously among economist, challenging the status quo of progress and development ideologies, flagships of "industrial civilization".

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