

The Consequences of Literary Prizes' Reliance on Corporate Funding and the Possibility of an Ethical Future of Sponsorship

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Abstract

This article explores the topic of corporate sponsorship of literary prizes, what prizes' reliance on these businesses means, and whether an ethical future of sponsorship is possible. At a time when several literary awards in the UK are being cancelled because of sponsorship withdrawals, organisers might feel the need to secure deals to ensure the continuity of the prizes, no matter the ethical records of the sponsors. However, as illustrated in this article, association with controversial companies can cause reputational damage to literary prizes, as seen in the cases of sponsorships from Nestlé and Amazon. While it might not be possible to uphold complete intellectual autonomy, the ethics and values of the literary community should be kept at the centre of the decision-making processes when it comes to sponsorship to safeguard the authority of the prizes.

Keywords

Literary prizes, corporate sponsorship, Bourdieu, ethics, Booker, Amazon

Introduction: cultural and commercial values of literary prizes

Since the 1960s, literary prizes have evolved to become an essential part of the publishing industry across the UK, both from a cultural and a commercial perspective. In the 1960s, the value of most of these prizes came mainly in the form of cultural prestige, as several were started in memory of someone connected to the publishing world, who wished to honour literary achievements through their legacy. Writing for *Logos* in 1991, renowned bookseller and author Martyn Goff also recalls that “Until about ten years ago, all prizes were modest, designed principally to honour the winner, and often founded in memory of someone connected with books”. This focus on the cultural aspect could also be explained by the fact that prizes were relegated to the “literary world” and not promoted as “being of interest to consumers of contemporary fiction” (Todd 1996).

By the 1990s, “prize culture had changed dramatically” in the UK (Todd 1996). As prizes’ organisation started to become more complex and the involvement of corporate sponsors increased the monetary rewards, their importance started to shift to the commercial side. With the “unrelenting proliferation of prizes across all the many fields of culture” (English 2008), a wide range of opportunities for publishers and authors emerged to expand the reach of their work through new prizes established for every genre, category, form of writing, language, and country. Publishers realised prizes could become profitable opportunities, bringing their most successful titles to the attention of the entire country or even internationally. Nowadays, they are considered “one of the wider agencies involved in book marketing” (Squires 2007), and as Porter Anderson notes in *Publishing Perspectives* “the British are leaders in capitalizing on awards attention to create excitement around reading and books.” (2019) Thanks to the increase in the monetary reward from a symbolic fee to a sizable amount, the rise of shortlisted authors’ profiles, and the related spikes in sales, for some writers, literary prizes also became the enabler that transformed authorship into a sustainable full-time profession.

However, despite, or most likely because of the emerging commercial value of prizes, their proliferation attracted “wide-scale criticism” (Davis 2019, 249). While there are a variety of reasons for such criticism, one of the most discussed is their “role in the commercialisation of literature and use as a marketing ploy by corporate capitalism.” (Davis 2019, 249). Companies are accused of sponsoring cultural prizes as a way of boosting their image by being associated with the highbrow literary world, building connections with high-profile individuals, and having access to exclusive events to lobby in their companies’ favour (Evans 2015). While Ivor Indyk wrote as recently as 2015 that literary prizes are “as the last bastion, in this world, for the literary

recognition that is withheld by the marketplace", and their cultural value should always be the essence of their existence, their commercial value has become undeniable and inextricable. The need for corporate funding is now largely accepted in the industry as inevitable to ensure prizes' existence.

This paper will focus on what reliance on corporate sponsorship means for literary prizes, why it is not possible to uphold complete autonomy as Bourdieu maintained, and how the association with controversial companies can affect prizes' reputation. The case studies of Nestlé and Amazon as literary sponsors are presented to illustrate the point. Ultimately, the article questions whether an alternative ethical future of sponsorships is at all possible and how it would look like.

What reliance on corporate sponsorship means for literary prizes

Despite the discussed proliferation of literary awards in 20th and 21st century Britain, their reliance on corporate sponsors as a lifeline explains the fragility of their existence. Already at the time of the creation of the Booker Prize in 1969, securing a sponsor had become the best way to set up a literary prize. Founder Tom Maschler remembers how when he presented his idea of a new prize celebrating the best of British fiction "several people commented that, desirable as the scheme was, nothing would happen unless I made it my business to find a sponsor." (2003). While he initially found the prospect of raising the money "rather daunting", he found keen sponsors in Booker Brothers, a wholesale food distributor that had recently branched into publishing with its Author Division and was seeing good profits from it. In the words of Booker plc's former CEO Sir Michael Harris Caine, the company felt "a corresponding obligation" to support writers (1989) because "literature was providing them with generous profit" (Goff 1991).

However, while initially there seemed to be a cultural motivation and a sort of genuine interest from sponsors, Goff later noted a shift: "Twenty years later, motivations seem to have changed. Sponsors are looking for very direct advantages. This changes the whole ethos. Generosity becomes investment." (1991). Rather than championing these events for their cultural value, when seeing little return from their involvement, companies now often pull out, putting at risk the continuity of the prizes. Organisers need to then quickly find a new sponsor to replace the previous one. An example of this was evident in 2000 when Booker plc merged with supermarket chain Iceland and the sponsorship of the prize came to an end because they believed there was "no commercial benefit" from continuing to sponsor it (Norris 2006).

Many in the industry feared this might mean the end of the prize until investment management firm Man Group was announced as the new sponsor. The pattern repeated when Man Group announced it would end its sponsorship in January 2019 and was then replaced by venture capitalist Sir Michael Moritz's charitable foundation Crankstart (Chandler 2019). This shows how even the most successful prizes rely upon having a sponsor to ensure its existence.

At the time of writing this article, in July 2022, news of the cancellation of several literary awards due to the ending of sponsorship agreements has been shaking the industry. British coffeehouse chain Costa announced the end of The Costa Book Awards after 50 years, stripping the industry of a much-loved and profitable competition. Reading charity BookTrust, which runs The Blue Peter Award on behalf of the BBC, announced its ending in order to reallocate "limited resources" to other projects (*The Bookseller* 2022).

The need to pause the Desmond Elliott Prize in 2023 for lack of a sponsor was also revealed, and the possible cancellation of *The Sunday Times* Short Story Award might be confirmed if a new sponsor cannot be signed (*The Bookseller* 2022). As reported in *The New Statesman*: "Together these confirmed and possible closures suggest that philanthropic backers see diminishing value in their associations with the literary world" (Peirson-Hagger 2022). At a time of economic difficulties, many are concerned that attracting new sponsors might prove difficult.

It can be argued that sponsors' involvement was always based on the gains that come from being associated with the literary world, rather than "generosity" as suggested by Goff (1991). But it is evident that now, more than before, companies want to see a clear return on their investment and if business needs change over time, so does their interest in continuing the sponsorship or not, stressing their use of such associations as a "marketing ploy" (Davis 2019). Sharon Norris already stated that "whatever corporate sponsors may gain in prestige (symbolic profits), tax breaks, or publicity, the level of returns needs to remain sufficiently high for an ongoing financial commitment to be guaranteed." (2006).

The different perspective sponsors embraced over time is key to understanding how literary prizes' dependency on corporations is a dangerous tie that makes them weak and leaves their existence in the hands of the sponsors. This opens the question of whether such power given the sponsor should be at all accepted.

Corporate sponsorship: “symbolic violence” or practical necessity?

Pierre Bourdieu was a prolific analyst of “the way that culture is produced, judged and valued in society” (Roscoe and Mackay 2022) and among his various texts on the theory of cultural production, he also analysed corporate sponsorship in the cultural industry. In *The Rules of Art*, he discusses at length the role of agents from the publishing industry, such as publishers, literary agents, prize judges and reviewers, as the only figures able to judge what art is and to distribute cultural capital (Bourdieu 1996).

Considering this belief, it is probably not surprising that he viewed corporate sponsorship of the arts as “a form of symbolic violence” (Bourdieu and Passeron 1977). Particularly in his text *Free Exchange*, co-written with Hans Haacke, he insists that sponsorship from businesses has “nothing to do with the love of art” and that the production of culture cannot be left to the “whims of a wealthy patron” (Bourdieu and Haacke 1995). In her article “The Booker Prize: a Bourdieusian Perspective”, Norris highlights: “At the core of Bourdieu’s resistance to corporate sponsorship is his conviction that it compromises artistic and intellectual autonomy” (2006). For Bourdieu “autonomy must be upheld” because it is the only way to stop the economic field from threatening and taking control of the cultural field. Bourdieu, Haacke and Norris are certainly not the only ones who hold this view. *The Guardian’s* writer Richard Lea more recently described the Booker as “the triumph of the market over Art” (2012).

Conversely, numerous publishers and key figures in the industry seem to have accepted the need for corporate sponsors as a practical necessity to ensure the recognition and promotion of their work is safeguarded through literary prizes. For instance, Joanna Prior, chair of the board of the Women’s Prize sees corporate support as essential for literary awards (Flood and Cain 2019). This can be seen as the refusal of Bourdieu’s concept of the separation of cultural and economic capitals (Bourdieu 1996).

Sunny Singh, author and co-founder of the Jhalak Prize recently told *The Bookseller*: “For a long time we’ve thought of the arts as self-evidently good – but at the same time our social, political and economic structures have become more and more commercialised.” Interestingly, Singh adds how there is “a certain kind of snobbery” regarding which sponsors are considered acceptable for a major literary prize and which are not, and the ones that appear to be deemed acceptable are in fact from controversial industries. She wonders “Would we care if a heavy machinery company [...] sponsored a prize?” (Comerford 2022a).

The connection between controversial industries, such as fossil fuel and finance, and the arts through sponsorships have come under the spotlight in recent years with academics, campaign groups, and the media exposing how ethically questionable companies are tied to some of the UK's major cultural organisations, particularly in relation to the climate crisis and these companies' role in environmental damage (Evans 2015). Wondering who the new sponsor for a prize would be, Lea wrote "which particular devil the Literature Prize has supped with. Is it global finance, environmental mongers of doom or – whisper it – Amazon?" (2012). While it might not be possible to attain Bourdieu's standards of intellectual autonomy, and it seems reasonable to accept the involvement of business sponsors as a practical necessity to ensure literary prizes' existence, a reflection should be made on whether accepting funding from controversial companies can cause irremediable reputational damage to prizes, staining their reputation.

How controversial sponsors can affect prizes' reputation: the cases of Nestlé and Amazon

Looking at the main corporate partners who have supported the UK's main cultural institutions and events in the past few decades, the connection with controversial industries is evident, particularly with fossil fuels, fast fashion, finance, and defence (Thorpe 2019). Various literary prizes, starting from the Booker, have their own history of connections to such industries, and this has led various authors over the years to question the ethics of accepting monetary prizes from these sponsors (Griffiths 2020).

In 1972, author John Berger used his acceptance speech of the Booker prize to denounce the Booker Brothers' past involvement in the colonial exploitation of Guyana and announced he would give half of the monetary prize to the Black Panthers movement (Verso 2016). The Booker Prize Foundation, which administers the prize, has since recognised the link between its former sponsor and slavery and a website page has been created clarifying these ties (The Booker Prizes). The Booker's successive sponsor, Man Group, also received criticisms from author Sebastian Faulks, who referenced the investment fund as "the enemy" and "the kind of business that literary prizes ought to be criticizing." (Thorpe 2019).

A recent example of a controversial company sponsoring literary prizes include the Swiss-based multinational Nestlé, which was targeted in a series of campaigns asking for an end to its sponsorship of various literary awards and events. Between 1985 and 2007 the company financed the Nestlé Children's Book Prize. Despite the acclaimed success of the award in promoting children's books, many saw BookTrust's acceptance of the sponsorship as unethical due to the highly criticised Nestlé's baby formula campaign in developing countries.

Several groups protested for years, raising awareness of how Nestlé had been violating the World Health Organisation's marketing requirements for baby food. The prize was variously affected because of this, with writers asking their publishers not to be entered into the award, winners refusing to accept the monetary prize or even, as Richard Platt did, donating it to campaign groups coordinating the Nestlé boycott. As the sponsorship came to an end in 2007, some saw this as recognition from BookTrust of the unsuitability of the company as a sponsor. Between 2001 and 2003, other protests from prominent authors saw the company's reputation affecting the literary world. The Perrier Comedy Awards at the Edinburgh Festival saw calls asking for the end of the sponsorship, as Perrier is owned by Nestle (Eccleshare 2008). Similarly, numerous writers criticised the Hay-on-Wye Literature Festival in 2002 for accepting Nestlé as its sponsor (Morrison 2002).

Another prominent example of a controversial sponsor that has become more prominent in the last few years is Amazon. As bookseller and writer Danny Caine describes in his book *How to Resist Amazon and Why*, since its creation Amazon has disrupted publishing and its influence on the industry is now so vast that "it affects even the smallest decisions made in the smallest bookstores" (2021). Despite its reputation as a menace among publishers and booksellers, the multinational has recently become the sponsor of several literary prizes and it didn't take long before it showed its disruptive nature. After sponsoring *The Sunday Times* Short Story Award for a time, Amazon's Audible withdrew the funding and became the new sponsor of the Women's Prize, leaving the previous prize in danger of being cancelled (Comerford 2021a). Speaking to the *New Statesman*, Gaby Wood, director of the Booker Prize Foundation, noted that it was the Women's Prize's stance on the industry that most likely attracted the company: "the agenda of the Women's Prize in what was a male-dominated industry, and Discoveries, its writers' development programme, may have made it a more desirable 'cause' for Audible" (Peirson-Hagger 2022).

This shows again how the emphasis remains on the benefits and returns gained by the company rather than its service to the literary world. In addition to the Women's Prize, Amazon Publishing recently became the sponsor of the Capital Crime's 2021 New Voices Award (Wood 2021). Outside of the UK, in Canada, the Amazon-sponsored *Prix littéraire des collégiens* had to be suspended after the five finalists, who were not aware of the identity of the sponsor when shortlisted, protested the company's involvement and published a letter on its negative impact on bookshops. The organiser decided to end the sponsorship to solve the situation, but Amazon declared that "the controversy will not stop it from getting involved in literary prizes." (Goodyear 2018; Flood 2018).

Conclusion: is ethical literary prize sponsorship possible?

While difficult economic times might push organisers to accept any possible funding no matter where the money comes from, these examples showing that the negative light cast on prizes by their association with controversial sponsors poses the question of whether an alternative way can be found to finance literary prizes without compromising ethics. Ignoring the importance of funding from sponsors to uphold intellectual autonomy, as argued by Bourdieu, would mean ignoring the current state of the industry and potentially causing more harm to the publishing world with more prizes disappearing. At the same time, accepting sponsorships from controversial companies will likely continue to cause reputational damage and undermine the authority of the prizes.

Some suggest the UK government should have an active role as sponsor of prizes and create a national one. State-funding literary awards are not unheard of and even Bourdieu considered government sponsorship a “necessary evil” (Bourdieu, and Haacke 1995). Author and judge of the final Costa awards Damian Barr recalls “Other countries such as France and the US have state-funded literary prizes, raising the question of why the Desmond Elliott and Sunday Times awards – and the many other British literary prizes – have to rely on sponsors at all.” (2022).

Another idea that has been discussed in light of the recent cancellations is whether the involvement of publishers themselves as sponsors could be a solution. Bloomsbury CEO Nigel Newton wonders “Perhaps the next round should be on us.” (Jones 2022). The International Publishing Association’s *Prix Voltaire*, dedicated to the freedom to publish, and is an example of a successful prize sponsored by publishers that are part of the association. However, as Roger Tagholm points out in *The Bookseller*, there has been a lack of UK publishers or literary agents wanting to sponsor the award despite its importance (2022). While discussions on whether funding from publishing houses or state sponsorship could be considered ethical solutions are not developed in this article, they could be valid options to discuss further in the industry. However, the possibility of identifying businesses as suitable sponsors should not entirely be disregarded.

Last year, the Wainwright Prize for UK Nature and Conservation Writing signed a three-year deal for sponsorship with James Cropper, a sustainable paper-making company based in the Lake District. Jane King, the stepdaughter of Alfred Wainwright, to whom the prize is dedicated, highlighted the ethics of the company as an important element of their choice as sponsor: “their local knowledge and reputation for sustainability make them an ideal sponsor.” (Comerford

2021b). The prize was later renamed the James Cropper Wainwright Prize to highlight the company's involvement (Comerford 2022b). Evaluating potential sponsors by analysing their ethics, values and records related to issues such as human rights, environment, and political involvement, would allow the organisers to approach companies who are in line with the values of the literary community and sign successful and ethical sponsorship agreements.

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