

"We are our own media"

Transformations of the music industry and the Racionais MC's business model

“A mídia somos nós”

As Transformações da indústria fonográfica e o modelo de negócio dos Racionais MC's

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Introduction

Best-known element of hip-hop culture, rap music is nowadays the most successful genre in the music industry. Some of the most acknowledged artists in the United States, as Dr. Dre, Jay-Z or Drake, are not only celebrities who are constantly featuring in the mass media, but also entrepreneurs who invest in companies from different sectors of the American economy (fashion, technology, among others). In 2015, Spotify reported that rap was the most streamed music genre in the platform. In 2017, a market research conducted by Nielsen (2017) corroborated this information demonstrating that rap had become the most consumed musical genre in the United States, generating more revenue than rock n'roll music. As a matter of fact, rap music became a global trend, what can be easily proven by the innumerable music scenes featuring in many countries, on all continents, presenting artists of all social classes, ethnicities, genres, nationalities and languages.

This remarkable performance could pose a dilemma for rap politics, though. Historically, rap emerged from the Afro-American and Latin ghettos of New York city by the mid-1970s. In a time of social turmoil, more than a form of leisure, rap music was also understood as the legitimate heir to an already undermined African-American civil rights movement. In this sense, that breakthrough music would be seen primarily as a form of social combat and a source of resistance, as a way of

communicating the grievances and demands made by the American minorities, remaining reticent in relation to the musical genres of commercial appeal and the mass media.

However, a close look at the rap music market in the United States today reveals a complex productive organization. Small and medium independent labels (many of them belonging to famous rappers) deal directly with artists, but maintaining partnerships with major labels for the distribution of records whether in the North American or worldwide. In this productive arrangement, there is room for artistic freedom, without excluding the possibility of success. There are niche markets that are still dedicated to ghetto music, but side by side with rappers aiming to produce music for a global market.

Brazil also has its local rap music scene, whose origins date back to the black music parties of the 1970s. The scene began with a generation of young rappers who, in the mid-1980s, created an infrastructure for the production of rap music locally, notably in the city of São Paulo. For several reasons, the political bias of the lyrics became the most praised feature by the emerging rap community. Indeed, among Brazilian rappers there seems to be a certain ethical requirement connected to a specific procedure that questions the relationship between artists and the music industry, considering the mainstream music market as the opposite to genuine creativity. In this sense, there seems to be a link between making music and political commitment, as if rap could only fulfill its role if there is no external commercial interest. The demand that bonds authenticity to politics remains today in the speeches of many artists as well as in the expectations of both critics and audience. This perspective becomes even more stressed as Brazilian rappers start to figure in the mainstream musical scene.

The tension is particularly sensitive in the case of São Paulo's rap group Racionais MC's. Their trajectory as a music group cannot be dissociated from the very history of the music genre in Brazil and, in particular, with the political bias that it presents, as discussed in the previous paragraph. Racionais MC's established a career not only for their lyrics that described and commented on the oppression against Afro-Brazilians on the outskirts of São Paulo with realism, but also for their political stance, as the group explicitly tried to create awareness among the Afro-descendant masses against their precarious condition. The political attitude also made them to be reticent towards the mass media and, as a consequence, to conduct their career by taking strategic marketing decisions by themselves. Such a strategy proved to be a good choice. Even not recording

for major record labels nor appearing frequently on radio and/or television programs to promote their singles, Racionais MC's received critical acclamation and reached commercial success.

In order to have full control over their career, the members of the group tried to take care of all the strategic decisions from the recording studio (by creating their own music label, Cosa Nostra Records) to marketing (by creating their own booking agency for music artists, Boogie Naípe), and as a result the group became more professional, maturing both aesthetically and professionally, what allowed them to experiment a new approach to mass media. More than a musical group, Racionais MC's is a full music entrepreneurship, to the point of the group's leader, Mano Brown, stated in an interview that as they had to take care of their own career, they would end up running out of time for the musical work of composition. In this sense, is it possible to maintain the political stance in face of the administrative requirements of a music entrepreneurship? Or rather, does this very question still make sense at a time when the boundaries between the independent and the corporate businesses are blurring? (it would be certainly be important in times when it was believed that to be independent was to be, necessarily, against the capitalist system, in favor of *l'art pour l'art*). In any case, the Racionais MC's music business model has inspired young rappers, like Emicida, who owns his own musical venture, with investments in other sectors linked to the hip hop scene (fashion industry, for example).

This article analyzes the Racionais MC's business model¹ in order to understand how rap music has become an important niche of the Brazilian mainstream music industry. The objective is to contextualize the group's trajectory in relation to the transformations of music industry in recent years, trying to make connection between the music group career and the music industry creative destruction (DE MARCHI, 2016). Based on a bibliographic research on phonographic industry and rap history in the United States and Brazil, it is argued that Racionais MC's were the first rap group to be able to take full control of their career, creating thus a paradigm in the Brazilian music industry. The article is divided into two parts. In the first one, we review how the relationship between RAP and the music industry took place historically, first in the United States and then in Brazil. In the second part, we analyze the Racionais MC's business model, emphasizing the group strategies to take full control of its own career. In the final remarks, we debate how the Racionais MC's case has

¹The term "business model" refers to strategies for creating value. Business models identify target market segments, revenue estimates, equate costs and profits and describe the structure and functioning of elements in the value chain of an enterprise (DOGANOVA and EYQUEM-RENAULT, 2009). This definition also applies to cultural enterprises.

become a paradigm for a new generation of artists and how it can point to a new scenario in the current moment of structural transformations of the music industry.

Rap and the music industry

To consider rap as a business model, it is important to avoid falling into an apparently two antithetical approaches, but that are complementary in fact. On the one hand, there is a perspective that understands rap fundamentally as a form of protest, whose authenticity derives from the precarious conditions of the Afro-descendants youth. Due to its aesthetic (soul and funk music from the 1960s and 1970s), social (ghettos, where most of the African American community lives) and political (the African American civil rights movement) roots, rap is often considered as the last breath of the sixties civil-right movement. Associated with a strong sense of social denunciation, the music genre was defined by Kellner (2001, p. 230) as a kind of “cultural forum where urban blacks can express experiences, concerns and political views”.

On the other hand, there is also a more pragmatic approach: rap is a music business in which political concerns are just part of a broad marketing strategy (NEGUS, 1999). This reading gained momentum from the 1990s onwards, when an increasing number of rappers demonstrated little interest on the debate about racial policies and social inequality, preferring to celebrate a hedonistic and self-interested ethic (insofar as they value individual economic success), as expressed in the (often accused of being sexist and violent) lyrics of the sub-genre gangsta rap. What is more, its transformation into the *lingua franca* of the mainstream international pop music in recent years has also raised questions to the romantic view of rap-as-protest, questioning even its relationship with its supposed community commitment.

Although both lines of reasoning are legitimate and coherent in themselves, they disregard critical aspects of the relationships between (1) music and the identity of Afro-descendant communities, (2) the place of so-called black music in the music industry, and even (3) the transformation of capitalism itself in the last quarter of the 20th century. In order to understand the complex relationships between music, race politics, culture and economics that converge in rap, it is necessary to observe how this music genre started to make part of the music industry.

Rap and the music industry in the United States

Historically, the relationship between the music industry and musical expressions of Afro-descendant communities in the United States of America has always been pervaded by tensions, as it cannot be separated from the racism that permeates the American society. The appropriation of Afro-Americans' music by the emerging music business began in the mid-19th century with the minstrel concerts. These were live performances in which white singers painted their faces with charcoal to create a caricature of blacks, and parodied the work songs and dances of Africans and Afro-descendants. The repertoire of this type of presentation became known as *coon songs*, constituting a musical repertoire very popular at the time among the white audience, so much that it was largely used by the sheet music publishers that once controlled the music market (KENNEY, 1999). This form of racism was incorporated into the emerging record business. Commercial records made by Afro-Americans began to be released in the 1920s, under the title of *race records* – a cumbersome label kept until the end of World War II, when it would be replaced by a more generic term rhythm and blues (R&B). Race Records were a paradox: they were records made by Afro-descendants to a market made up mainly of white consumers who expected to hear coon songs, that is, a type of stylized music, by white performers, of black music.

It was only from the 1950s onwards that independent record labels would produce music aiming the African-American audience, being, in some cases, managed by Afro-descendant entrepreneurs. Record companies such as Stax Records and Motown Records started to release a derivation of R&B that would become known as soul music² (BRACKETT, 2009). Soul music's strong link with the Afro-American civil rights movement (specially the Black Power Movement) would create a whole cultural niche, controlled by independent record labels runned by Afro-American entrepreneurs.

This context allowed the emergence, at the end of the 1970s, of a new genre of black music known as rhythm and poetry, or its contraction RAP. The historians of this music genre are in accordance with the narrative that rap began at the southern part of the Bronx district, in New York city, based on the practice of the sound system parties, imported by the Jamaican community that

²David Brackett (2009) points out that the use of the word was already common to adjudicate certain musical expressions that used vocal techniques of church music, known as gospel (evangelical). Beginning in the 1960s, the emergence of soul music was due more to a shift in emphasis than to the import of new elements of gospel music. Funk, on the other hand, would be an accentuation of certain soul characteristics, although in moderate or fast tempo the bass lines became more active, the arrangements fuller, with greater use of multiple guitar parts, orchestral instruments and auxiliary percussion.

resided there. Sound Systems are a party that could happen whether in the streets or an apartment where disc jockeys (DJs) manipulated the reproduction of records using two turntables in order to create sound ambiances. Gradually, also gained prominence the figure of the Master of Ceremony (MC), who spoke in a musical manner over a repeated rhythm basis (or beats, in the jargon of the dance music culture) improvised at the moment by the DJ.

The integration of the new black music genre in the record industry took place slowly. Initially, MCs who performed at parties were reticent to record their rhymes on wax, preferring to use cassette tapes recorded in an amateur way in the venues where the so called *battles* took place (TEPERMAN, 2015). However, when the Sugarhill Gang group released the single *Rapper's Delight*, in 1979, achieving relative success, the prospect of signing with record labels started to sound more appealing to other rappers. Throughout the 1980s, small independent labels (Def Jam, Tommy Boys, among others) began to create a market for recorded rap material, with growing success (ROSE, 1994). In 1984, the group Run DMC would win a Gold Record, the first award given by the record industry to a rap artist. In the sequence, other groups or individual performers, such as Public Enemy, LL Cool J, Eric B or Rakim would also have some of their records on the country's lists of best-selling compacts and/or albums. By the end of that decade, rap would begin to subdivide into different subgenres, such as gangsta rap, from Los Angeles (California), or Miami Bass (Florida), which would also develop niche markets in their own areas. In the following years, rap would consolidate itself as a profitable cultural product, occupying important spaces in the American mass media.

Rap entrance in the American mainstream music market should be observed carefully as it reveals an emerging kind of relationship between independent labels and major record companies. At the end of the 1980s, independent record labels dedicated to rap began to deal with major labels in order to distribute records to physical stores across the country and to introduce artists in the mass media outlets, applying in the music industry a sort of relationship between corporations and small companies that became common in the industrial economy in the 1980s under the label flexible production (HARISSON, 1997). The agreement established was that independent labels would be responsible for discovering new acts and taking care of the first stages of their careers, while major labels would sign them if the artist or group proved to be potentially successful in terms of selling records.

By delegating the risky part of the investment to independent record labels, there was too much pressure upon them to operate as rationally as possible, according to the corporations' model in terms of artist selection, marketing strategies and productivity demands. Gradually, the romantic vision of the independent label as a craft production, ideologically engaged in the production of *l'art pour l'art* would give way to a more aggressive companies, obscuring the differentiation between autonomous (independent) and corporate production (major) (DE MARCHI, 2006; HERSCHMANN, 2011; HEMONSDHALGH, 1996; VICENTE, 2006).

Such partnerships appear to have been successful. Since the 2000s, with the increasing outsourcing of the phonographic production and the decline of the revenues of record companies due to the rise of digital distribution, many rap artists have been successful enough for them to become entrepreneurs. Successful artists in the global market, such as Dr. Dre, Eminem or Jay-Z have their own record labels, that are though distributed by major companies (Sony Music, Universal Music or Warner Music). The result is that rap became the most consumed music genre in North Americans, corresponding to 25.1% of all music produced in the country (NEILSEN, 2017). Moreover, the genre has become a truly global cultural trend, as can be easily verified as one finds rap acts of different ethnicities, languages and nationalities around the world.

Rap and the music industry in Brazil

A recorded music market aimed at Afro-descent consumers in Brazil has followed a different path from that of the United States. Musical expressions performed by Afro-Brazilians were registered commercially since the very first moments of the recording industry in the country (from 1902 onwards), not constituting a distinct category of music label, as happened with the race records. During the 1920s and 1940s, the modern samba would consolidate itself as a cultural product also through recordings made by multinational record companies installed in the country, such as Odeon, Columbia Records and RCA-Victor. But it was not until the 1970s that Afro-Brazilian musical expressions would consolidate themselves as niche markets, at a time when the Brazilian music industry was expanding and diversifying its investments (MORELLI, 2008; VICENTE, 2008).

The turning point to understand the contemporary black music market was the so-called *Africanization* of Brazilian popular music throughout the 1970s³ (RISÉRIO, 1981). Under the influence of both Pan-Africanism and the American Black Power Movement, many Brazilian artists began to record music composed under the influence of Afrobeat and/or soul music (CASTRO, 2017). In Rio de Janeiro, the country's cultural epicenter at that time, access to recorded soul music began at the time when piano bars were replaced by nightclubs in the late 1960s. These spaces were designed with dance floors and DJ booths. The hype around this type of night entertainment would lead to parties for large audiences, inspired by the Jamaican sound system model, the most popular being the *Baile da Pesada* (which loosely translated means the Radical Dance Ball), conducted by two local DJs, Newton "Big Boy" Alvarenga and Ademar Lemos. Such massive parties would lead to the creation of the so-called *sound crews*, enterprises that would promote parties dedicated to Afrocentric themes, held at the suburbs of Rio de Janeiro (where most of the afro-descendant population dwelled). Gradually, the parties created the sensation that there was a cultural movement supporting it, what came to be labeled by the media as the *Black Rio Movement* (PEIXOTO and SEBEDELHE, 2016; ZAN, 2005).

The 1970s stood out as a period of fast growth of the recording industry in Brazil, which gained considerable incentives by the dictatorial government, along with other sectors of the national cultural industries, to expand the market for symbolic goods in the country (ORTIZ, 1994). During its expansion, a hierarchical relationship between record labels was established. On the one hand, there were a handful of multinational corporations and one national record label (*Som Livre*, the music wing of the local media corporation, Globo Group) that hired only artists of commercial appeal. On the other, there were small and medium-size national record companies, seeking to invest in musical segments despised by the majors, such as the local country music (*sertanejo*) or romantic music (locally labeled derogatively as *brega* music) (DE MARCHI, 2016; DIAS, 2000; VICENTE, 2014).

The case of black music took a different path though. Since its beginning, both major and independent labels have invested in the brand new music genre. Nevertheless, the majors recorded music stars related to the post-bossa-nova scene who started to flirt with soul music (Gilberto Gil,

³ The term refers to a cultural movement dedicated to study and apply the Yoruba language and culture, from Central Africa (whose territory is contained mostly on the borders of current Nigeria, an area where the majority of slaves brought to Brazil during the slavery era came from), to Brazilian popular music.

Jorge Ben or Tim Maia). Meanwhile, the independents (Ariola, Top Tape, Continental, K-Tel and many others) invested in breakthrough acts that were emerging thanks to the expansion of the black music parties. The sustained growth of the record market at that period allowed this abundance of recording producers. It even made possible the emergence of an autonomous production (that is, without connection neither with major nor independent labels), having Tim Maia's records *Racional, Volumes I and II* (1975, 1976), as a landmark for local soul music⁴.

At the turn of the 1980s, however, the major labels would turn to other musical expressions, such as disco music and post-punk rock (which would be known as Brazilian rock or B-rock). The independents, on the other hand, would continue to invest in the black music market, which, nevertheless, was transformed. With the deep crisis of the Brazilian economy during the 1980s, many of the small national record companies either went bankrupt or were bought by majors, which had little interest in the black consumer market in turn. This scenario created an opportunity for sound system crews to invest in the record business themselves. After all, not only there were a few independent record labels to make the recordings viable but the crews were the agents with the most accurate knowledge about the changes in the musical taste of black youth, since they were the ones who had direct access to this audience. In the late 1980s, the Brazilian anthropologist Hermano Vianna (1988) had already observed that the type of music played in black music parties progressively moved from soul and funk music to derived genres of R&B and even different subgenres of rap.

In Rio de Janeiro, specifically, the subgenre of rap most played by the local sound system crews was the so-called Miami bass, due to the personal contacts that local DJs had with music producers in Florida (USA) (VIANNA, 1988). By the 1990s, local MCs and DJs started to produce compositions in Portuguese, using the Miami bass beats and samples – what was lately rebranded as *funk carioca*. In São Paulo, on the contrary, a major black music scene emerged from the break dance teams that made the so called battles in São Paulo downtown. According to Teperman (2015), then, the most appreciated subgenres of rap at those meetings were the New York style (whose lyrics were more politicized) and Californian gansta-rap (whose lyrics explicitly addresses big cities violence against the Afro-American youth). Some sound system crews, such as Zimbabwe

⁴ It is well-known that the title of those records, *Racional* (rational, in Portuguese), inspired the name of *Racionais* MC's.

and Chic Show, have reached such a level of administrative organization that they were able to broadcast shows on the local radio, to produce parties, and launch their own record labels.

Attentive to the growth of the rap scene in São Paulo, the independent record label Eldorado decided to release, in 1988, the compilation intitled *Hip Hop: Cultura de Rua*, and managed to sell 30.000 copies of its first edition. That same year, Zimbabwe, that also created a recording wing, released its own compilation, *Consciência Black, Volume 1*. The record contained nine tracks from different local rappers, such as Sharylaine, Grand Master Rap Junior and a brand new quartet, the Racionais MC's. In the following years, other compilations would be launched by independent record companies, characterizing it as the privileged phonographic format used in the São Paulo rap music scene.

It is worth noting that, unlike what had happened with the Africanization movement of Brazilian popular music, the new Afrocentric musical expressions, São Paulo rap and funk carioca, would not have a friendly relationship neither with the mass media nor with the major record labels. Much the contrary, the mainstream media immediately stigmatized both musical genres as cultural expressions related to urban violence, notably drug dealing (HERSCHMANN, 1997). The continuous association of music expressions with the violence and poverty of major cities contributed decisively to major record labels to be reluctant to invest directly in these breakthrough artists – what, in turn, opened space for the development of these musical genres through small independent labels, in general, controlled by entrepreneurs involved with the sound system crews.

The business model of rational MC's

Formed in 1989, in the city of São Paulo, the Racionais MC's became the most important rap music artists in Brazil. Hailed by both audience and critics, the group made fame in the Brazilian hip-hop scene by articulating a intense political inflection of their lyrics with a poetic narrative about the daily life of the peripheral youth at Brazil's biggest and richest city. Inspired by both Public Enemy-like political attitude and NWA aggressive verve, the MCs Mano Brown, Edi Rock, Ice Blue and the DJ KL Jay have developed a singular musical style. Their music goes against the Brazilian conservative discourse about some conciliation between races (between the European descents, the Afro-descendants and the indigenous people, what is labelled in the Brazilian official ideology as *the harmony among races*) as to point out the sharp racism that pervades daily life, and is

especially experienced by the Afro-descendant youth – an attitude that has hit hard the Brazilian music scene at the end of the 20th century. As Rap music pioneers, the Racionais MC's created an unique style inspired by Afro-American as well as Afro-Brazilian musical influences, ranging from the America's soul and funk of the 1970's to the samba music, Brazilian soul music and even Brazilian jazz music.

Racionais MC's history starts at the embryonic rap scene in São Paulo in the late 1980s. The group was created when two duos met together, one consisting of Mano Brown and Ice Blue, and the other by Edi Rock and DJ KL Jay. The four artists met during a recording session for a compilation produced by the cultural producer Milton Salles, who suggested the creation of a quartet as long as he realized the political potential of the musical they were creating. Brown was a habitu e of the S o Bento subway station, at S o Paulo's downtown, becoming acknowledged for his sharp rhymes in the hip-hop battles. In turn, KL Jay and Edi Rock were known for performing live at parties. Brown and Blue watched them at one of those meetings, and were rather impressed by the resourcefulness of the both. After all, they were already B-boys and had their own turntables, while Brown and Blue were still improvising beats with self-made percussions at street battles.

As soon as the quartet was gathered, they started to produce their own material. Their first two albums, *Holocausto Urbano* (1990) and *Escolha seu Caminho* (1992), were released by Zimbabwe label. Both records composes what would be called the first stage of the group's career with regard to the economy of music, fundamentally linked to the small labels of the periphery of S o Paulo. At that time, the Racionais MC's performed concerts generally in small night clubs and had music that was deeply embedded in the intellectual discovery and political awareness of their own members. This bestowed their music with a sharply politicized bias, though in a rather over-simplistic terms (GUTIERREZ, 2015).

In order to sell this highly politicized music, sung in a professorial and moralizing tone, and addressing macro-political issues, Brown bought phone cards and tried to schedule concerts in any place, from nightclubs to brothels. The Racionais MC's used to perform with the protection of armed bodyguards and the revenue collected in each concert was divided equally among all 20 persons who accompanied the group at the events. At that moment, their audience were fundamentally composed by fans deeply involved in the universe of rap at the peripheries of S o Paulo.

The album, *Raio X do Brasil*, released in 1993, initially followed the same pattern. It was produced at the Atelier Studio, by the brothers Newton and Wander Carneiro, but reached an unprecedented success, selling so far 80.000 copies. The difference may be explained as one notice that some singles of the album, such as *Homem na Estrada* and *Fim de Semana no Parque*, were broadcasted by a commercial radio station in São Paulo, named Transamérica radio station. Henceforward, their music began to call the attention of the middle class youth and, as a consequence, the group started to receive invitations to perform even at elite nightclubs situated in the richest neighborhoods of São Paulo. Even facing the unexpected success, Mano Brown reassured continually the intention of keep making music for the audience at the periphery of the city.

It was only with the release of their 1997 album, *Sobrevivendo no Inferno* (Cosa Nostra Records), that we can notice a transition from what we can call an amateur management of the group career to what we designated as a *business model* properly. Symptomatically, the group abandoned its partnership with the Zimbabwe label and created its own record company, the Cosa Nostra Records, in order to have full control over the authorship of their recorded material. The album gave Racionais MC's national prominence and an entrance in mainstream circuits of the entertainment industry.

As the videoclip of the single *Diário de um Detento* started to be broadcasted by MTV Brazil, the group gained nationwide exposition for the first time (even though that TV station had a limited access for being exclusive to subscribers of a Pay-TV system). For a number of reasons that cannot be addressed adequately here, MTV Brazil embraced Racionais MC's, and received an unusual feedback from the group: it was one of the few TV stations that managed to make interviews with the group members. In 1997, the group was awarded at the channel celebration *MTV Video Music Awards Brazil* and made a presentation that became historic at the same award in the following year. Soon after, DJ KL Jay even became the host of the rap program, *Yo! Raps*. The Racionais MC's would also receive privileged press coverage, as happened by the time of the release of *Nada como um dia após o outro dia*, their third album, from 2002. In order to show its appreciation for the close partnership, the group was invited by the TV station to be the main attraction in the very last edition of the VMB, in 2012.

Taking advantage of the visibility obtained, but not being dependent on it solely, the album *Sobrevivendo no Inferno* managed to sell about one million copies. It is interesting to note that, according to the group itself, half of these sales were made through the formal record market, and the other half, in the informal market by street vendors. Regarding the pirate copies of their record, Brown commented in an interview that he did not think of initiatives to rebuke the work of street vendors for two reasons. One was political: the group did not want to retaliate informal workers even if they were making their living by selling pirated copies of their material, because they knew that street vendors came from the same social reality as the members of the group. Secondly, it was a strategy designed to fit the music economy for independent artists: street vendors were the cheapest and, therefore, most efficient channel to promote the album for a massive audience that did not have easy access neither to MTV Brazil nor to FM radio stations. Exactly what Yúdice (2011, p. 27) means when he says that piracy serves as *a promotion of the main menu*, which are the concerts, the main source of revenue for musicians.

From this album onwards, the relationship with their audience also had changed. Instead of a moralizing top down discourse, in which the MC intends to indoctrinate the public, revealing them the *truth about reality*, Rock and Brown started to talk more and more about personal experiences. Clearly intending to perfectionate a more poetic style, the MCs tried to associate the chronicle of social reality of the peripheries with a more intimate and personal approach, merging a social concerning with personal issues, as Garcia (2013) notes. This is the moment Racionais MC's tried talk about their personal lives, dilemmas, questions, challenges, using their verses to articulate subjective experiences with a broader social context (GUTIERREZ, 2015).

It is from this encounter between a lyrical experience and social consciousness, the particular and the general, that the rappers sew with bold use of poetic resources, metaphors and analogies, that a new discursive power emerges as to consecrate the Racionais MC's style. Understanding this alchemy can helps us to understand the achievements of the group, most of all the acclamation of both music critics and fans. In live performances, their audience use to sing 10-minutes long lyrics in unison, without hesitation, thus subverting the expectation of commercial failure of compositions of this duration and revealing the viability of an alternative business model that led to the construction of a solid career, artistically as well as commercially.

Throughout their careers, Racionais MC's kept distance from the major music industry. In addition, they were aloof to visibility on major TV stations or in the mainstream press. They refused most of the invitations for interviews and performances in free broadcast TV stations, having attended, throughout the entire trajectory, only the aforementioned MTV Brazil and a public channel named TV Cultura. They never had their faces printed on Globo TV screen, for example. According to Teperman (2015), it is a practically unique model in popular music in Brazil (especially in the context of the 1990s and early 2000s), for though being out of the dominant spaces of the music industry and the mass media, the Racionais MC's became the most renowned rap artists in Brazil.

For the same author, the Racionais MC's paved the way to success keeping the compromise with what he calls the "fidelity to the means of production of their class", which would characterize a "revolutionary discourse" (TEPERMAN, 2015). The record companies, media outlets and concerts through which the group consolidated its career have always been embedded in the context of the peripheries of major cities of Brazil. Many live performances took place at Samba Schools dance halls. In Rio de Janeiro, for instance, the group made their concerts in communitarian clubs at the favelas, such as happened in the favelas of Rocinha, Cidade de Deus and Mangueira. Only from 2012, the group began to perform at places more associated to the middle classes. As a matter of fact, the Racionais have dispensed with the traditional practices of career administration, remaining firm with a business model associated with their class and race positions, but at the same time participating punctually of the mainstream music market.

After *Sobrevivendo no Inferno*, Racionais MC's even signed a distribution deal with Sony Music, but the partnership was short-lived though. After all, it would be Cosa Nostra itself that would produce the before mentioned record from 2002 and the most recent, from 2014, *Cores e Valores*. In 2006, the DVD *Mil trutas, mil tretas* was released, containing a live presentation held at Sesc Itaquera (São Paulo), recorded in 2004. In 2009, Mano Brown created the Boogie Naípe booking agency, destined to administrate the Racionais MC's career as well as his solo one. It was at this moment that Brown made a polemic statement, affirming that since the group itself was responsible for conducting its businesses, it was no surprise that the members were running out of time for the most important thing in a musical career: composition of new songs.

After achieving national success and a certain mythology created around the group along the 2000s, Racionais MC's would even appear in one or another media outlet, but never featuring the

mass media. They would be the cover story of niche magazines, such as *Caros Amigos*, *Cult*, *Trip* and *Rolling Stone*. In 2009, Brown was on the cover of *Rolling Stone Brazil* alone, under the epithet *Eminência Parda*, or gray eminence. In 2007, he had already gave an interview on *Roda Viva*, a renowned TV show in which a personality is interview by many journalists at the same time, and on the *Ensaio* show, both on TV *Cultura*. Perhaps the greatest approximation to a corporation took place in 2010, when Brown sung in a version of the *Umbabarauma*, a song composed by Jorge Ben Jor in the 1970's, for a Nike campaign. According to Teperman (2015), Brown would have received \$100.000 reais for the deal, with which he built the studio where he records his own material. Today, *Racionais MC's* features on Spotify and are digitally distributed by the independent content distributor One RPM.

Final Remarks

Beginning in Brazil in the late 1980s, both Brazilian rap and its main representative, the *Racionais MC's*, grew up on the outskirts of São Paulo, using independent economic networks, practically aside of the mainstream entertainment industry. With their own record label, the group became known throughout the country, reached the landmark of selling 1 million copies of their album, even dismissing the help of any TV station or major label.

With the development of the career and the success achieved, the *Racionais MC's* experienced the dilemma of producing music strongly linked to peripheral culture and, at the same time, having the chance to become a profitable commodity in the music market. Over time, the group created its own means of production, record label and booking agency office, and invested more and more in transforming the group into a self-sustainable musical business. In an interview with *Cult TV*, Brown stated that he understood that what they sell not just music, but also fashionable clothes, political attitude, and an entire lifestyle after all. That does not mean selling out though, abandoning the political cause they supported during the *Racionais MC's* 30 years of existence.

On the contrary, it is about transforming rap into a self-sustainable market so that people who participate in it can make their living from it, what seems to be working as we look at the young rapper *Emicida* and his enterprise, *Laboratório Fantasma*. In this sense, it is crucial to remember that Brown usually says that he thinks that rap acts should not behave as if they were NGOs, that

is, a non-profit entrepreneurship. He says that, nowadays, he is more concerned with making his business machine spin in order to be able to properly pay everyone involved in the Racionais MC's businesses. For if the Racionais MC's career continues to grow, it will make possible the continuation of their music and at the same time it will strengthen the rap scene as a whole. In Brown's words, rap should be a self-sustaining movement, and not simply a social movement.

Teperman (2015) suggests that there is a paradigm shift. Using Antônio Cândido's arguments, the author talks about the migration from a revolutionary discourse to a radical discourse. According to him, revolutionary is not to accept large contracts with corporations and not to associate with them, in order to denounce, in some way, the connivance of Brazilian capitalism with the main wound of Brazilian society: inequality.

This stance seems to have changed, however, if we take a close look at Brazilian rap scene and its current articulations with the music industry. Nowadays, some of the Racionais MC's members can be seen circulating more and more through circuits associated with the big capital. Edi Rock went to Caldeirão do Huck, Ice Blue appeared in the Tulio Deck video and the whole group agreed to play at Lopalloza, in 2012, a festival sponsored by large companies. But isn't it still revolutionary to create your own means of production, keeping in control of the production of your own artistic career, and making a culture embedded in the popular classes to go on with integrity as it walks with its own legs?

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Abstract

The purpose of the article is analyze the Racionais MC's business model to understand how rap has been articulated with the Brazilian music industry in its current conjuncture. The objective is to contextualize the group's trajectory in relation to the transformations of the national music industry in recent years. Based on a bibliographical research on the music and rap industry in Brazil, we argued that Racionais MC's were the first rap group to be able to take control of their entire career, creating a paradigm in the Brazilian music industry. This success serves as an example for new artists of the rap scene in Brazil and can point a new scenario in the current moment of structural changes of this business.

Keywords: Racionais MC's. Business model. Rap in Brazil. Music industry.

Resumo

O propósito do artigo é analisar o modelo de negócio dos Racionais MC's para compreender como o rap tem se articulado com a indústria fonográfica brasileira em sua atual conjuntura. O objetivo é contextualizar a trajetória do grupo em relação às transformações da indústria fonográfica nacional em anos recentes. A partir de uma pesquisa bibliográfica sobre indústria fonográfica e rap no Brasil, argumenta-se que os Racionais MC's foram o primeiro grupo de rap a conseguir assumir a totalidade do controle de sua carreira, criando um paradigma na indústria fonográfica brasileira. Este êxito serve de exemplo para novos artistas da cena de rap no Brasil e pode apontar um novo cenário no atual momento de transformações estruturais desse negócio.

Palavras-chave: Racionais MC's. Modelo de negócio. Rap no Brasil. Indústria fonográfica.

Resumen

El propósito de este artículo es analizar el modelo de negocio de Racional MC's para comprender cómo se ha articulado el rap con la industria discográfica brasileña en su coyuntura actual. El objetivo es contextualizar la trayectoria del grupo en relación con las transformaciones de la industria discográfica nacional en los últimos años. A partir de una investigación bibliográfica sobre la industria discográfica y el rap en Brasil, se argumenta que los MC de Racional fueron el primer grupo de rap que pudo tomar el control total de su carrera, creando un paradigma en la industria discográfica brasileña. Este éxito sirve como ejemplo para los nuevos artistas de rap en Brasil y puede apuntar a un nuevo escenario en el momento actual de las transformaciones estructurales de este negocio.

Palabras clave: MC racional. Modelo de negocio. Rap en Brasil. Industria discográfica.