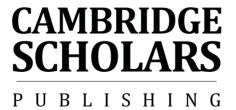
New Perspectives on Consumer Culture Theory and Research

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Edited by

Pavel Zahrádka and Renáta Sedláková



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—Olomouc, September 2012

CONSUMER CULTURE: BETWEEN AESTHETICS, SOCIAL DISTINCTION AND ECOLOGICAL ACTIVISM

PAVEL ZAHRÁDKA AND RENÁTA SEDLÁKOVÁ

In the Czech Republic the subject of consumption has not received sufficient attention from the perspective of Consumer Culture Theory (CCT). The opinion has long prevailed among the majority of Czech social scientists that consumer culture and consumptive behaviour is a socially destructive phenomenon and one of the main causes of problems in contemporary society. This impression has prevented them from scrutinizing the symbolic dimension of consumption and led them to a critical analysis of the social causes and results of excessive consumption and to an emphasis on alternative and sustainable ways of life.² The examination of symbolic and aesthetic aspects of consumer culture or the mutual interaction of culture and marketing communication, for example, have remained outside the realm of academic interest. As a result of the critical attitude towards consumer culture in the Czech Republic the political and ethical dimensions of consumption, such as those pointed to by Tanja Busse in her book Die Einkaufsrevolution (2006), have also been ignored. However contemporary consumer

¹ Analyses of post-communist transformation, an issue addressed by a number of authors from the Academy of Sciences at the turn of the century, do include the analysis of a broad spectrum of economic and social changes affecting the quality of life in a transforming Czech Republic, do also address the issue of consumption. The approach of theses scholars, however, reflects rather a macro approach viewing Czech society from the perspective of modernization theory (Mlčoch – Machonin – Soika 2000).

² An exception is the work of the sociologist Jiří Šafr (2006, 2008), whose research is devoted to consumer culture in the Czech Republic as a factor in social stratification.

behaviour cannot be reduced solely to the satisfaction of the subjective needs and desires of consumers (as liberal economists or staunch critics of consumer culture claim).³ Numerous studies from the USA (Arnould 2007) and Europe (Sassatelli 2006) show that contemporary consumers look beyond the private sphere of consumption and often also consider the environmental, social and political results of their actions before making a purchase.

The absence of comprehensive academic interest in the topic and problems of consumer culture does not mean that consumer culture is not a subject of research. Such research, however, takes place outside of the sphere of the university in the commercial sector and is primarily focused on issues of how to successfully sell products and services. Due to competitive concerns, the results of commercial research have not been widely distributed and therefore have not been subjected to detailed public or professional examination. Commercial research into consumer culture within the Czech Republic has thus unavoidably led to the privatization of results, which runs contrary to the ideal of science as an open and critical project (Popper 1959).

The goal of the conference *Consumer Culture: Between Aesthetics, Social Distinction and Ecological Activism* was to create a counterbalance to this "science in the shadows" (Ullrich 2006, 119–124), overcome the mutual distrust between the academic and commercial spheres and make possible the transfer of recent discoveries between the two parties. That is why the conference organizers invited not only leading European academic researchers from diverse disciplines, but also representatives from the commercial sector who deal with research, production and innovation in consumer culture. This allowed for the confrontation of two previously separate and distinct discourses and perspectives.

The conference also grew out of a reaction to the fact that over the last decade the humanities and social sciences in the Czech Republic have been facing increasing government pressure to establish more effective cooperation with the commercial sector. We believe that the study of

³ This fact is recognized much more clearly by the authors of marketing campaigns promoting the products of brands such as Benetton or Dove. A distinctive feature of these campaigns is social involvement and responsibility. While the creators of the Benetton campaign focused on breaking down stereotypical prejudices concerning race or sexual orientation, the campaign for Dove cosmetics entitled "Dove Campaign for Real Beauty" challenged the "narrow", and for many women unattainable, ideal of feminine beauty. See further Karin Lövgren, "Grey Is Gorgeous: On Dove's Campaign for Real Beauty Targeting Older Consumers", 146–163

consumer culture represents a suitable focal point for useful collaboration between the university and commercial sphere. For example, the question often asked in the commercial sphere of what effect advertising has on consumers (or rather, under what circumstances is an advertisement effective) is in fact the same question as the one asked in the humanities and social sciences about what effect culture and symbols have on the individual and society, or on another level what influence media have on the recipient. Asking the question whether advertisements for cigarettes lead teenagers to start smoking is analogous to examining whether playing violent computer games leads players to commit violent acts in the real world. Put simply, while the commercial sphere knows a lot about consumption, the humanities and social sciences know a lot about culture and the ways it functions. However, these fields of knowledge have remained separate up to now.

Another reason for organizing the conference was the establishment of an interdisciplinary platform for research on consumer culture in the Czech Republic. This platform should make possible not only cooperation between the university and commercial spheres, but should also focus attention on a critical analysis of consumer culture and its social, moral and ecological aspects and thus maintain the autonomy of longitudinal university research with respect to sometimes short-term commercial goals.

The theoretical background of the conference proceeds from two basic assumptions. First, we believe that consumption is a cultural process. By consuming things we not only maintain our physical existence, but also our culture in the broadest meaning of the term. Consuming goods allows individuals to form and express their identity. Consumption and culture are mutually dependent. For example, advertisements are not only a commercial phenomenon, but also a rhetorical form which affect the way we communicate (even in traditional non-commercial domains such as education and politics). Also marketing principles influence our interaction with others and our self-presentation, in both our professional and personal lives. In general, the mechanisms of economic competition increasingly permeate our social lives and to a significant extent contribute to shaping them (Wernick 1991, vii–viii).

Second, we believe that consumer culture is a dominant element of social life which helps define the values, identity, behaviour and institutions of contemporary Western Civilization. Research into consumer culture therefore represents a means of understanding ourselves and our contemporary society. Due to the complex nature of the subject of this investigation an interdisciplinary approach is necessary. Consumer culture

can be studied from multiple methodological and theoretical perspectives, because consumer goods are not only carriers of symbolic meaning but also commodities. Attention can then be focused on the rules determining allocation of consumer goods and services within the society. Being a consumer also implicitly means that the individual is aware of her needs and strives to satisfy them, i.e. we demand a particular way of life which carries with it certain material costs (Slater 1997, 3). This fact raises ethical questions about the legitimacy of our needs and their scope, as well as the principles of the social distribution of consumer goods. The aim of the conference was to thematically cover the stated perspectives, themes and problems of the study of consumption. The thematic framework of the conference included not only an exploration of the symbolic dimensions of consumer culture, its aesthetic aspects and impact on individual lifestyles, but also the broader social context of production and reception of consumer culture and its social, economic and ethical consequences.

The conference *Consumer Culture: Between Aesthetics, Social Distinction and Ecological Activism* was held on 7–9 October 2010 on the premises of the Arts Center of the Philosophical Faculty of Palacký University Olomouc. The Ministry of Labor and Social Affairs of the Czech Republic took on patronage of the whole event and the conference was an official part of the European Year for Combating Poverty and Social Exclusion (EY2010). Its main organizers were Pavel Zahrádka, Veronika Kubová (The Department of Sociology, Palacký University Olomouc) and Renáta Sedláková (Department of Journalism, Palacký University Olomouc).

The conference was divided into seven thematic sections: (i) Aesthetics of Consumer Culture, (ii) Consumption Patterns, (iii) Market Research and Making of Markets, (iv) Consumption and Media, (v) Consumption and Social Distinction, (vi) Marketing Communication and Culture, and (vii) Critique of Consumer Society. It was attended by fifty European and overseas experts from academia and the commercial sphere. Among the invited speakers were Kate Soper (London Metropolitan University), Kai-Uwe Hellmann (IKM Berlin), Moritz Gekeler (HPI School of Design Thinking Potsdam), Wolfgang Ullrich (Karlsruhe University of Arts and Design), Søren Askegaard (University of Southern Denmark Odensee), Franz Liebl (Berlin University of the Arts), Rainer Gries (University of Vienna) and Jaroslav Cír (Perfect Crowd Prague).

For this collective monograph contributions were selected covering three thematic areas: (i) Consumer Culture in Post-socialist Countries, (ii) New Prospects on Consumer Culture Research, (iii) Consumer Culture Critique. The first section on *Consumer Culture in Post-Socialist*

Countries is introduced by the overview study "Theory and Research on Consumer Culture in the Czech Republic before and after 1989" by Pavel Zahrádka and Renáta Sedláková. The article deals with consumer culture before and after 1989 in the former socialist Czechoslovakia and the contemporary Czech Republic. It captures the socio-cultural conditions of consumption as well as theoretical reflections (Erazim Kohák, Jan Keller) and the results of research (Hana Librová, Jiří Šafr) on consumption in the Czech Republic in the past twenty years in the social sciences and humanities which can be relevant to the development of Consumer Culture Theory. While in the analysis of consumer culture before 1989 attention is paid to the phenomenon of the shortage economy and its implications for the consumer behaviour of the population, the analysis of consumer culture after 1989 reports primarily on the results of critical inquiry focused on the social and environmental consequences of consumption and a description of an alternative sustainable lifestyles.

In the following contribution "Understanding the Meaning of Consumption in Everyday Lives of 'Mainstream' Youth in the Czech Republic" Czech sociologist Michaela Hráčková Pyšňáková presents her qualitative research on how mainstream Czech youth think about their everyday consumption after the year 1989. This approach represents an important and informative contribution to the existing youth research in the Czech Republic as although many of the key characteristics of late modernity identified by Beck and Giddens are centred on consumption and lifestyles, young people's experience with consumption in the Czech Republic as a response to social transformation has not been given sufficient attention. The results, based on the qualitative findings of research conducted with 95 young people indicate that belonging to the mainstream does not imply straightforward compliance with dominant power structures. Instead, it reflects a degree of reflexivity in which these young people challenge stereotypes of passive conformism in complex, yet often paradoxical ways that are not yet well accounted for by current youth research in the Czech Republic. The article concludes by suggesting that the notion of "mainstream" youth offers a potential way of understanding young people's relationship to social change in what appears to be an increasingly individualised society.

The third article, written by environmentalists Petr Jehlička and Joe Smith, overturns accounts of food self-provisioning in post-socialist Central and Eastern Europe that are rooted in myths of the "urban peasant". After reviewing and rejecting those accounts the authors introduce very different explanations for high rates of growing and sharing food outside the market system based in social anthropological research in

the region. The authors have extended that work with their own qualitative and quantitative research over a period of six years in the Czech Republic, and here present findings that confirm the contribution that food self-provisioning is making to both the social and ecological sustainability.

In the last study "Multiplexes as the Limes of 'Global Hollywood'" Marcin Adamczak deals with multiplexization presented in broader perspective of economic, political and cultural processes related to globalization, which transformed the consumer culture and film culture after 1980. Among them, the most prominent seems to be creation of powerful media conglomerates, significant increase in film budgets, especially P&A budgets, and growing dominance of "Global Hollywood" at international film market. Multiplexization was an important part of those changes. It brought a redefinition and transformation of social cinema going practice and experiences of viewer participating in a film show. It could be called after Toby Miller "the reprise of vaudeville bill", when watching movies is connected with a set of other social practices. like shopping and resting after whole week of work in realities of late capitalist societies. This is clearly seen by fluid embodiment of cinemas into the architecture of shopping centres, where cinemas are creating the common consumer-cultural space with shops and restaurants. It also seems like a shift in the map of cultural space from high culture zone achieved in the 1960s to low culture (folk culture) in Pierre Bourdieu's terms from It contributed to the emergence of two cinematographic systems (art-houses and traditional cinemas along with multiplexes) situated in separate institutional and discourse contexts and related with separate types of reception expectations and gratification. In this way multiplexes are seen as the material and symbolic signs of the reign of "Global Hollywood", beyond the borders of which lies a fragmented world of small and individual national cinematographies and the increasingly disappearing auteur model.

The second part of the volume *New Prospects on Consumer Culture Research* opens with the article "A Strategic Approach to Costumer Orientation" by Franz Liebl who is concerned with innovative approaches to reaching the customer in the field of strategic marketing. Customer orientation has been one of the most important concepts in strategic marketing during the last 50 years. However, the interpretation of customer orientation as a mere customer centricity has lost its power since then. From an entrepreneurial view of strategy, which focuses on the creation of new markets and new rules of competition, customer orientation has to be reconceptualized. Several case studies are used in order to rethink and reformulate the concept of customer orientation and to

extend and radicalize the concept in various directions. The results show that more complex conceptualizations are needed in order to satisfy the unmanageable consumer.

Ivana Uspenski in her text "Mass Intelligence and the Commoditized Reader" addresses the influence of new media on the changing concept of reading and reception. She suggests that reading strategies are no longer products of a reader's own intentions, or the author's. Dominant producers and readers of the new media texts become computers as cybertext machines. Not only do cybertext machines get involved in the reading process, through this process they also produce mass intelligence, which is one of the manifestations of new media reader. The reader oneself becomes a commodified construct, a merchandise which can be bought and sold in the online advertising industry. This new media reader is understood as commoditized due to the fact that the basic purpose of mechanical reading in new media surroundings, especially on the Internet. is for the data read to be converted into clicks, exposures, and demographic data, transformed into merchandise. This phenomenon is marked as mass intelligence—the non-critical and arbitrary global gathering and accumulation of human knowledge, by offering readers mass-interests texts which they can read, and to which they can react, comment on or hyperlink to with the sole purpose of making these readers quantifiable goods. Uspenski concludes that, as opposed to collective intelligence, mass intelligence is not a productive force but a commodity.

In the next paper "Grey Is Gorgeous: On Dove's Campaign for Real Beauty Targeting Older Consumers", Karin Lövgren presents the results of her textual and visual analysis of the Dove advertising Campaign for Real Beauty with focus on the representation of age and gender and the results of her qualitative research on how the older models used in the advertising campaign are perceived by women in the age range 45-63 years. The Unilever company Dove launched in 2006 a hybrid advertising campaign claiming to question beauty ideals, advocating for more diverse norms on what is considered beautiful. Through use of Internet and in print advertising a special product line targeting older consumers have been introduced. In adverts for these products older models have been used. Generally models in adverts are young, even when addressing older consumers. This is claimed to be because also older consumers identify with younger role models. In this article the campaign is analyzed against the background of the formulaic advert genre and age and gender are analysed as marketing tools.

In the last text "Life Satisfaction: Impulsive Buying Behaviour and Gender" Samuel Lins presents the results of his quantitative research

focused on verifying the relationship between impulse buying, life satisfaction and gender. A standardized questionnaire was distributed via web to 214 Brazilian students from the Federal University of Paraíba (103 male and 111 female), with a mean age of 22 years (min = 16 and max = 36). Two scales were used as evaluation instruments: (i) Consumer Buying Impulsivity Scale (CBIS) and (ii) Satisfaction With Life Scale (SWLS). Correlations and comparisons of means were performed to examine how the five factors of the CBIS associate with life satisfaction and gender. The results indicate that only the cognitive deliberation factor is negatively associated with life satisfaction, that women are more satisfied with life and more impulsive buyers, and that, when buying they also are more cognitive and affective than men.

The last part of the volume Critique of Consumer Culture is introduced by the contribution "Beyond Consumerism: The Critique of Consumption, Democracy, and the Politics of Prosperity" by British philosopher Kate Soper. Here she presents her conception of alternative hedonism, which represents a new type of criticism of consumer culture emerging not from externally postulated ethical or environmental measures, but rather from the perspective of the quality of life of the social actors who are dissatisfied with the negative effects of the consumerist lifestyle. The market driven consumerist lifestyle has long been defended and promoted as an agent of freedom and democracy. But it is also widely condemned for its social exploitation, and now increasingly for its environmental destruction and unsustainability. Affluent societies are thus entering upon cultural moment of unprecedented disquiet about unchecked consumption. The upshot is the emergence of consumer culture as a site of new forms of democratic concern, political engagement, and cultural representation. The paper argues that in addition to the environmental and ethical reasons for this new concern, there is the evidence of growing disaffection over the negative legacy of the consumerist lifestyle for consumers themselves. The alternative hedonism implicit in these forms of consumer ambivalence is analysed with a view to disentangling its outlook on human needs and fulfilment from both earlier leftwing critiques of commodification and from postmodernist celebrations of consumer culture as a resource of identity politics and self-styling. Alternative hedonism is presented in this context as the impulse behind a new political imaginary that could help us to move towards a fairer, environmentally sustainable and more enjoyable future. The paper asks how can this new outlook on the politics of prosperity be best promoted and represented and how might consumption now come to function as a pressure point for the relay of political changes needed to secure a sustainable economy.

In his paper "The Historicity of Brands: Inter-generational Production of Structural Sustainability", Rainer Gries argues that successful products and brands have become media of modern societies and act as platforms of social exchange. Since the 19th century brands have been operating as economical and cultural "real estates" in the market and in the collective mind. These continuities over centuries and over generations show brand products as generators of social confidence and cohesion. Hence, such long-term product communications have become essential mediators of structural sustainability in our modern society and according to the author we should be aware of this in order to actively and intelligently participate in these negotiation processes via products and brands. Gries argues that our future societies will benefit from adopting a greater awareness of both the positive potential, as well as the subversive power that these kinds of media carry, so that contributions to the sustainability of our consumer society can continue to develop with a greater sense of ethical responsibility.

In his paper "Critical Marketing, Consumption Studies and Political Economic Analysis", Alan Bradshaw explores the relationship between studies of consumption and critical political economy perspectives. Rather than review different disciplinary fields that address consumption, he focuses on a particular tradition of scholarship—critical marketing. Critical marketing is mostly associated with UK scholars and can be regarded as a sub-area of research within marketing that seeks to subject marketing to critical analysis. The paper explores the absence of a political analysis from such research. The issues that rose relate to broader issues of how the question of political economy is often evaded within studies of consumption and hence conclusions broader are pursued that may be relevant to various subject areas.

In the last paper "Subversive Use of Things: Craftsman Creativity as Criticism of Consumer Culture?", Agata Skórzyńska deals with the commodification of culture as one of the best commented processes occurring across the division between economy and culture. The innovative idea first diagnosed by the philosophers of the Frankfurt School is, however, also a widely criticized view on the relation between consumption and culture. According to the postmodern and poststructuralist theory we are now confronted by the opposite process: a specific cultural turn in consumer society in the second half of 20th century. The core of postmodern criticism was the recognition that a commodity turns into a symbolic rather than a material object and the base of the new economy of the developed societies is the exchange of symbols, establishing semiotics as the necessary background to analyze economic processes or to participate in markets of meaning. Skórzyńska claims that the autonomy of

art and culture, postulated by Adorno as a mode of resistance against the commodification, is no longer adequate. Instead of isolation, she observes an emergence of the new subversive practices of everyday life including critical use of things, spaces or images of consumer culture. Paradoxically, these practices require a specific return to the materiality of the thing because the subversive use of the object consists in reconfiguration of the appearance and function, which is similar to the craftsman's performance rather than creativity of an autonomous artist.

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PART I:

CONSUMER CULTURE IN THE POST-SOCIALIST COUNTRIES

THEORY AND RESEARCH ON CONSUMER CULTURE IN THE CZECH REPUBLIC BEFORE AND AFTER 1989

PAVEL ZAHRÁDKA AND RENÁTA SEDLÁKOVÁ

This study outlines the basic features of consumer culture in the Czech Republic before and after 1989, and offers an overview of its theoretical reflections and research. Its aim is to outline the prevailing conditions and trends in Czech society which have shaped the consumer behaviour of Czech people and to summarize the knowledge and theoretical basis of which contemporary Consumer Culture Theory (CCT) can build on. Our intention is not to recapitulate social, economic or demographic developments in the Czech Republic during the transition from a socialist to a democratic regime. Therefore, we do not cover studies undertaken in the fields of economics or socialist economic prognostics, and the list of concepts, theories and research findings presented here is necessarily selective. We open the text with the conceptual definition of consumer culture, and then we deal with the social and economic conditions of consumption in the former Czechoslovakia (and in the countries of the former Eastern Bloc) and subsequent changes in the consumer behaviour of Czechs under the conditions of the emerging capitalist society, as well as theoretical reflections and research thereon.

Within social theory the terms "consumption" and "culture" are sometimes presented as opposites (Habermas 1990, 248–266). While culture is understood as an autonomous sphere defying the process of commodification and the promotion of utilitarian and material interests, consumption is conceptualized as a manifestation of a market economy which devalues and commercializes the lived world. In this paper, we understand consumer culture as the relationship of individuals to material objects and services and the ways in which they are used, or respectively the meanings which social actors ascribe to objects of their consumption and according to which they dispose of them. We do not use the term "culture" in an evaluative sense but rather in its descriptive semiotic interpretation as a system of meanings expressed in symbolic forms

through which people communicate and share experiences, meanings and beliefs (cf. Thompson 1990, 132). In this sense the controversy over the joining of the terms "consumer" and "culture" loses its meaning, and on the contrary the way in which they are complementary is revealed. On one hand, consumption is directly dependent on culture because only culture gives meaning to things. On the other hand, culture is reproduced by consumer goods, through which the expression and communication of meaning takes place (McCracken 1988, xi).

Furthermore, we believe that consumer culture is mutually shaped not only by the meanings and uses consumers associate with a given consumer product, but also by the socio-economic environment and dominant system of thought. Our goal is to show that the relationship to consumer goods in former Czechoslovakia (and after 1993 in the Czech Republic) before and after 1989 was influenced both by the socio-political situation and dominant economic system and the theoretical reflections of consumption.

Consumer Culture before 1989

Consumer culture in communist Czechoslovakia was conditioned by the socialist political-economic system which was built on both the principles of the Marxist critique of capitalism and the vision of "real socialism", which was to overcome the internal contradictions of the capitalist social order. The socialist system was also shaped by other intellectual or ideological influences, such as the intellectual tradition of the workers' revolutionary movement, the ideology of the ruling Communist Party and the leaders of the Communist parties in the individual Eastern Bloc countries. Namely, social theory describing social reality and the behaviour of social actors is created through so-called "interactive kinds" (Hacking 1999, 103–104), that is kinds which classify social actors and at the same time can, if they are aware of their classification, cause a change in the behaviour of these social actors. For the purpose of this study, we limit ourselves to a brief explanation of two fundamental features of the socialist system which have their origins in Marxist doctrine: the elimination of the market economy and of private ownership.

Marxist critique adopted some basic ideas (often in a simplified form) from Karl Marx (1992) who assumed that technological development can guarantee sufficient goods to satisfy the needs of all people. The dynamic development of productive forces is, however, according to Marx, in conflict with the static nature of productive relationships, which in capitalist systems are derived from ownership. Technological development

makes material progress possible only for a minority of the population (at the expense of exploiting the majority), which seeks by any means to maintain the existing social order. The asymmetry in the ownership of the means of production, according to Marx, leads to the fact that low-income workers are forced to sell their productive faculties on the market for wages which do not correspond to the real work invested in the production of the product. On the contrary, the owner strives for the accumulation of profits, which is, however, only possible if the worker is not paid for the full value of his or her work and the so-called "surplus value" is taken by the owner. According to Marx, the commodification of the labour of the worker subordinated to the demands of the impersonal labour market, and the resulting division of labour, makes impossible the objectification of the subjective needs of the workers in material creations. It thus makes human self-realization through creative work impossible. This leads not only to the alienation of the worker from the fruits of his own labour, but also to the alienation of the worker from other people and from himself.

For the governments of the former Eastern Bloc overcoming the ills of the capitalist system meant eliminating their systematic causes: private ownership and market conditions. The declared goal was the creation of a society without significant differences in income and wealth among its members, where collective ownership would prevail and production would not be determined by market mechanisms, but rather by centralized and reasoned decisions about the production of public goods. Production in a socialist society was supposed to be, from an ideological perspective, oriented towards the demands of masses of consumers, but not towards the interests of privileged groups. The elimination of the market and private property, however, leads to the absence of a reliable mechanism which would determine through the principle of supply and demand what needed to be produced and at what price the goods manufactured should be sold. The socialist system replaced this mechanism with centralized planning and its necessary organizational compliment—a centralized bureaucratic apparatus. In addition to deciding on the allocation of resources and setting the structure and scale of production and distribution, the planning centre also set the standard price of products.¹

¹ In setting the price of products, in addition to ideology (a significant portion of all prices had a social character, for example, basic food items, medicines and children's clothes were assigned low prices), a major factor was the Marxist theory of value, whereby the value of manufactured objects was equal to the amount of socially necessary work (labour time) needed for their production (Nove 1991, 20–30). The price of products usually included the fixed costs of materials, labour costs, the costs of materials and energy and a profit margin (Mlčoch 1990).

Detailed analysis of the basic characteristics of the socialist economic systems of the Communist countries of Eastern Europe and their impact on consumers was studied in the 1980s by the Hungarian economist János Kornai (1992) and we will proceed from his analysis. Kornai notes that central planning of economic activity and ex-ante price control lead to several major problems in the system for which he coined the term "shortage economy". If the price of a product is set centrally not by its exchange value but by the amount of labour invested in its production, then it fails to capture the difference between high quality products and low quality goods if their production requires the same amount of work. In a situation where there is no market economy there is no mechanism to provide feedback on the quality or lack of quality of a given product. In addition to this, the system of central planning leads to the emergence of a monopoly in the given industries, because, from the perspective of central planning, the offering of varied types of a particular product greatly complicates the ability to forecast its sales. In the eyes of central planners, narrowing the offer of goods manufactured also prevents the undesired phenomenon of waste, which is a necessary consequence of economic competition (for example, in the form of expenditures on marketing or the production of goods that no one wants).² The establishment of a state monopoly of production was motivated also by ideological reasons: according to the supporters of a socialist system, economic competition is in conflict with the communist vision of a conflict-free and mutually cooperative society.³ The absence of feedback through market mechanisms and the existence of an economic monopoly in the end lead to a lack of interest in the needs of the consumer and a decrease in the quality of manufactures goods (Nove 1991, 71). Within the context of the centrally planned economy, manufacturers were dependent not on consumers, but to a greater or lesser extent on the superior state apparatus.⁴ As a result of this dependence, state enterprises were not sufficiently motivated to

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² The aversion to diversifying the offer of consumer goods is illustrated by an anecdotal story about Nikita Khrushchev's visit to an exhibition of American consumer goods in Moscow in 1959, where he declared with amazement: "Why would you want so many washing machines when one works perfectly well?" (Marling 1994, 278).

³ In this context, Alex Nove (1991, 41) draws attention to the false dichotomy between economic competition and cooperation. The real opposite of economic competition is economic monopoly.

⁴ This dependence, however, was not one-way. Enterprises also had a certain space for negotiation with the state planning apparatus. Various negotiation strategies (such as ways to maximize inputs [stocks] and minimize outputs [goods produced]) were described by Mlčoch (1990).

achieve economic performance, because any earnings were remanded to the state and potential loss was covered by a modification of the economic plan, respectively by a softening of the budget constraints of the particular company. Manufacturers were thus freed from responsibility for product quality, and the consumer was faced with the choice of "take it or leave it". The lack of needed goods, the absence of choice and the low quality of goods were, moreover, amplified by excess value given to central planning, which was unable to capture the complexity and flexibility of the market on the microeconomic level. The reason for this is both the cumbersome communication and coordination between central administrative units, and, secondly, the transfer of decision-making power from the local context to the remote centre.

The political commitment of the socialist system to ensure society-wide increase in material well-being, to satisfy the basic needs (food, education, health care, housing, work) and to supply an abundance of consumer goods, therefore, stumbled on the dysfunctional economic system of central planning. The paternalistic effort at a society-wide, dominance of manufacturing industry over the customer industry and centrally controlled redistribution of resources—a strategy designed to strengthen citizens' dependence on the political-economic centre—foundered on the shortage economy. The failure to fulfil proclaimed social commitments and insufficient supply of products in both their variety and quantity influenced consumer culture in socialist Czechoslovakia significantly.

In the socialist system the consumer was exposed, repeatedly and in an extensive way, to the phenomenon of shortage. Under the pressure of shortages, customers were often forced to alter their purchasing strategy. These forced changes took many forms which were often accompanied by feelings of frustration and represented a certain kind of loss for the consumer: waiting in lines for the desired product, finding an alternative product, waiting for the desired product to become available or abandoning the intention of obtaining the particular product. The pressure on the consumer to adapt to the availability of products (the transition from what I want to what I can actually want) leads in the shortage economy to the creation of a paradoxical balance between supply and demand at the expense of the dissatisfaction and frustration of consumers. The socialist system, unlike the capitalist system, created in fact a market oriented primarily on the seller (Kornai 1992, 245). The seller thus takes

⁵ Here we are limiting our examination to the horizontal relationship between buyers and sellers, not to the vertical relationship between enterprises and superior administrative units in the socialist system.

on such dominance over the buyer that in the asymmetrical power relationship the buyer is forced to (1) actively seek information about where the desired product is or will be available: (2) adapt their expectations and wishes to the limited supply; (3) gain the favour of the seller (the privileged position of the seller often leads to their elevated and bland behaviour towards consumers, to under-the-counter sales or even to bribery of the sellers by the customer); (4) buying in bulk as a result of the unstable availability of goods in short supply, and thus creating personal reserves: (5) resorting to semi-legal or illegal social practices, thus creating a "second economy" next to the official economy (providing small plots of land for personal use to members of agricultural cooperatives. unofficial work by craftsmen, stealing from state cooperatives, smuggling goods from Western countries, etc.). The economy of shortage, of course, also had its positive effects, including first of all (6) the Czech do-ityourself (DIY) tradition, that is individual creativity and self-supply, particularly in agricultural products grown in private gardens. As a rule, individuals and families dealt with the problem of insufficient supply with self-help and "learned through their own activity to make up for what was missing in terms of trades and crafts" (Večerník 1991, 48; trans. R. S.).

The failure to fulfil the social obligation to increase the relatively low level of material well-being of the population of socialist Czechoslovakia (caused by the insufficient quality, variety, and availability of products for the general public) and overtake Western capitalist states in consumption per capita threatened the social stability and legitimacy of the existing system. In reaction to this the political elite allowed the establishment of the Tuzex (domestic export) chain of shops, in which foreign currency and Tuzex vouchers could be used to buy foreign, especially Western goods, which were not available in normal shops. Despite the proclaimed ideology of a classless society, a gradual process of social stratification thereby took place through the ownership of products in short supply or of better quality. This was true not only between the political elite and the allegedly "homogenous" majority of the population (workers, the working farmers, and working intelligentsia), but primarily within the mainstream

⁶ In addition to traditional forms of promotion by means of the shop window, media advertisements did exist to a limited extent, but these were by no means advertisements for particular brands but propaganda ("propaganda" was then the official term for advertisement) for a particular type of product. Advertisements were often of an educational character (propaganda for vegetables, eggs, or the communist system itself) or promoted products for which there was no demand, but due to the central planning of the economy could not be offered at a lower price. See also Kohout 1982.

of society. Having access to products which were in short supply or to Western goods (jeans, cosmetics, gums etc.) was evidence of the higher social and economic capital of the owner and a mark of social status (Sredl 2007). At the same time, in the socialist system these types of goods acquired a new symbolic and political importance, as they were also evidence of the better quality of life in the Western capitalist countries.

According to the Czech sociologist Ivo Možný (1991), the shortage economy was one of the main causes of the rapid fall of the communist regime in the former Czechoslovakia. Using examples of the end of real socialism in the 1980s, he shows that consumers colonized the communist state because they were forced, as a result of the shortage economy, to violate the established rules and norms in order to meet their needs. Although according to the rhetoric of the official ideology, the society should move towards a classless society, in the social reality of everyday life it was clear that the society was hierarchically divided and property and privileges were distributed selectively in accordance with the decisions of the Communist Party of Czechoslovakia and the nomenclature core groups. For an ordinary citizen to obtain the desired products in short supply, it was necessary to have not only sufficient financial resources, which had a tendency to lose their value, but also significant social capital. In other words, it was necessary to know someone who worked in a suitable position, such as store managers, who would "save" a portion of the goods when they were delivered for their friends and exchange them for other goods or services in short supply. Through these semi-legal or illegal methods, which Možný calls "colonization of the state", it was gradually possible to obtain what people needed or wanted. Due to the hypocritical egalitarian rhetoric of the regime it was however not possible to make further profit from the resources obtained in this way because this would reveal the corruption under the surface. According to Možný (1991, 61-65), it is this fact which contributed significantly to the fall of the communist regime in the former Czechoslovak Socialist Republic as possessions and profits could not be publicly used or kept even by the holders of leading positions in the communist hierarchy which, in turn, progressively increased doubts about the system even within the ruling class.

For completeness, we should add that basic information (such as stratification of Czechoslovak society and its occupational composition, preferred leisure activities, car use, tourism preferences and housing quality), from which it would be possible to infer consumer behaviour in the former Czechoslovakia, can be found in the investigation of class structure (Charvát, Linhart and Večerník 1978; Tuček 1992; Machonin 1992), in the

national census during the socialist period and also in a systematic long-term format in the annual statistics published by the Czech Statistical Office. Moreover, surveys of consumption and micro-censuses were carried out. A micro-census was a representative survey of household incomes which took place in the Czechoslovak Socialist Republic from 1956 at 3–5 year intervals. From the end of the 1950s, systematic research was also carried out on family expenses based on daily diaries of income and expenses, these served to calculate the living standard of households (Večerník 1991, 2001). The results of these surveys were intended primarily for use in long-term planning of production in the centrally planned economy, but they were also intended as evidence for declarations about the improving living standards of the citizens of the socialist state.

Research on Consumer Behaviour in the Czech Republic after 1989

The collapse of the state-controlled economic system in the former Czechoslovak Socialist Republic took place in the course of the Velvet Revolution in November of 1989. The political and economic transition to a democratic form of governance, a restored market equilibrium (which found expression in the elimination of shortages of goods), liberalization of market entries, decentralization of the economy and demonopolization of the market, privatization and commercialization of state-owned enterprises, as well as membership in multinational organizations, including NATO and the EU, by and large took place much faster than the social and cultural change of Czech society. As interest in the day-to-day political scene and the resulting steps in macroeconomic transformation gradually declined among the general Czech population, a general retreat into the sphere of satisfying one's own needs though consumption in the broadest sense of the word took place on the background of the individualized society. Although the disposable income of Czech households rose from

⁷ For example in 1967, 13.5% of households owned an automobile, in 1984 the number was 59%; in 1967, 70% had black and white televisions; in 1984, 88% had a refrigerator, while in 1984 the number was almost 100% (Tuček 1992). Compare with ČSÚ: Sčítání lidu 1921–1991.

⁸ This showed itself for example in the increase in the number of people with socalled "status inconsistencies", that is individuals whose levels of social, cultural and economic capital are greatly out of balance (Večerník 1998). An example of this is the quick career growth of owners or managers of businesses associated with illegal or immoral activities.

the year 1990, this occurred only gradually, and according to some indicators the purchasing power of households reached the level it had been in 1989 only after ten years (Mlčoch, Machonin and Soika 2000) or even later (Večerník 2010, 102); however, this income allowed a considerable portion of the population to cover not only their basic needs. but also their individual requirements. New trends in consumption thus began to reflect the psychological aspirations of consumers influenced by a desire to move with the times and be modern and fashionable. In response to this, shopping with credit cards⁹ and consumer and long-term loans have increased in the Czech Republic, as is illustrated by statistical development of the consumer market and the indebtedness of Czech households. 10 The debt curve began to rise in the mid 2000s in response to the decline in interest rates (Dubská 2010). At the end of the 1990s, a period often spoken of as a period of "belt tightening", Czechs were ready and willing to spend, especially for designer clothes and luxury merchandise, which became a symbol of social success; and at the same time reduced their savings.

Over the past twenty-two years Czech towns have become closer to Western towns, thus when visiting Prague one can buy many of the same brands in stores as one would find in London, Munich or LA. Consumerist lifestyle has become an integral part of life for the majority of adults and children in the Czech population, who often spend their free time in a constantly growing number of shopping centres. These became a phenomenon in the Czech Republic at the beginning of the 21st century. In 2010 there were 76 mid-sized and large shopping malls and retail parks operating in the Czech Republic with rentable sales space of more than 10.000 square meters (the largest of these is Prague's Letňany with more than 80,000 square meters). This number is unmatched in other postcommunist countries. These are not limited to hypermarkets, but include also hobby-markets which successfully appeal to the Czech tradition of DIY and gardening, and a large number of them dedicate space to gastronomy, so there are not only shops but also restaurants and other services. A unique project showing the enthusiasm of a portion of the Czech population for this type of shopping and leisure activity was the

⁹ According to statistics from the Association of Bank Credit Cards, in the middle of 2011 more than 9.2 million cards had been issued in the Czech Republic and of these approximately one fifth of these were credit cards (the population of the Czech Republic is 10.2 million). Compare Sdružení pro bankovní karty 2011.

¹⁰ At the end of 2009 Czech households owed 973.5 billion CZK to banks and 104.1 billion CZK to other leasing and non-bank lending institutions. Since the year 2000 their total debt has increased by eight times (Dubská 2010).