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## Journal of Consumer Culture

INTERVIEW

### An Interview with Juliet Schor

DOUGLAS B. HOLT

University of Oxford

**HOLT:** A lot of your work has been focussed on trying to understand consumerism. What is consumerism from your standpoint? And what is the problem of consumerism that you're trying to unpack in your work?

**SCHOR:** First, I should define what I mean by the term, in opposition to, for example, consumer society. In my view, consumerism is about an attitude and an ideology, a particular way of relating to consumer goods in which they take on central importance in the construction of culture, identity and social life. Consumer society I define as a situation in which the vast majority of people have a consumerist attitude or are living consumerist lifestyles. I see consumer society as a 20th-century phenomenon because before that you don't have mass consumption. In this I differ from historians, for example, who date the emergence of consumer society in the 17th or 18th centuries. You also asked about the *problem* of consumerism. I see problems with both consumer society and consumerism, but I think the problems of consumerism are derivative of the problems of consumer society. I see four major problems associated with consumer society in the US and, to a lesser extent, other advanced capitalist countries. The first is what I've called the output bias of capitalism, that is the inability to take productivity in the form of leisure time. This is particularly pronounced in the United States. It involves a very strong

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orientation from the production side towards maximal levels of consumption. Do you want me to elaborate on that now or shall we come back to it?

**HOLT:** Yes, let's get into your first point. How does this create a social problem?

**SCHOR:** It's a serious social problem because what it means is that we have an economy in which it is becoming increasingly difficult to deliver free time to people. Without adequate free time, you suffer the erosion of the social fabric and difficulties reproducing the non-market economy and also an everyday reality of community. I think there's a way in which the market is cannibalizing – this is a strong word, but I think it's a fair one – other parts of social life, especially recently.

**HOLT:** Can you give an example of cannibalization?

**SCHOR:** What it means is that there are very strong demands for labor from the market economy, which leaves households with inadequate labor time to reproduce social relations and engage in non-market production. The same goes for community. That's why I say cannibalist. Literally eating up time.

**HOLT:** So, just like, being able to have dinners together and . . .

**SCHOR:** Yes.

**HOLT:** . . . Is that what we're talking about?

**SCHOR:** Exactly. Labor time for reproducing relationships. So, for example, in the United States, within marriages, spouses are starved for time, particularly in couples with children, because parents try very hard to protect time with children. Instead, they skimp on marital time. Friendships, family connections and communities suffer. I see these effects as a major social problem. Consumerism gets implicated because the dramatic escalation of consumption norms requires that people stay in the labor market at full-time jobs in order to gain full-time incomes. So it's not just a labor market issue.

A second problem which is, I think, extremely serious on a world historical scale is the impact of consumer activity on the planetary ecology.

And, again, this is especially a North American issue because consumption patterns here have such a large environmental impact. Our consumption is a key cause of global warming as well as species extinction, ecosystem degradation and toxic chemical poisoning.

**HOLT:** Can you give your 'hit list' of the worst consumer categories or activities in terms of their environmental impact?

**SCHOR:** Of course, energy use is paramount because of its effect on climate change. Relevant consumption includes vehicles, which are a salient example, especially with the shift to sport utility vehicles and the decline in average fleet mileage in the US. The tremendous growth in housing size is also important. Residential energy use is now rising in the US after decades of decline. We are building more energy efficient houses, but that has been more than compensated for by much bigger houses with many more appliances, such as jacuzzis and steam showers and extra freezers and the proliferation of consumer electronics. Air travel is another very, very carbon intensive activity. Meat consumption is also highly environmentally degrading. Shrimp is another good example. We've gone from a world in which shrimp was a luxury, eaten by the wealthy and as a special treat by the middle classes. Now there are 'all you can eat' shrimp buffets for \$7.99. Shrimp is cheap and the reason is that we have shifted to shrimp cultivation, which is destroying mangroves and coastline ecosystems in many parts of the world and is one of the most environmentally damaging products that we're consuming right now. I've also been thinking a lot about apparel lately. People tend not to connect clothing with environmental degradation. But there are a variety of degrading effects of apparel production, such as pesticide-intensive cotton cultivation or the synthetic/toxic dyes used in almost all apparel production. Leather is another example of a good which has gone from a luxury to a mass consumer good available at very low prices. Leather tanning is extraordinarily toxic and has enormous health impacts on tannery workers as well as the people dependent on the local water supplies which are polluted by the toxic chemicals used in tanning. Leather tanning has shifted out of Italy and Spain to South Asia, where environmental laws tend not to be followed.

**HOLT:** Number three?

**SCHOR:** All private consumption is a substitute for an alternative use of economic resources. And what are those alternatives? Instead of private

consumption, one can save money, **take leisure** or pay for more public consumption. In this country, the excessive orientation to private consumption has squeezed these other things, which I would argue yield more welfare to people once they reach the middle class. More savings, more leisure time and more public consumption would raise wellbeing more than extra VCRs, cashmere sweaters and shifting from a regular car to an SUV. But the dynamics of production and consumption in the United States are heavily biased in the direction of private consumption.

**HOLT:** Is this the story of the debt crisis in the country today?

**SCHOR:** In the United States we have a savings rate that's hovering at about zero, roughly. Large numbers of households live 'paycheck to paycheck' (i.e. without financial assets). That introduces levels of stress and insecurity which undermine psychological wellbeing and put people on the edge financially.

**HOLT:** Number four.

**SCHOR:** Number four is a bit more speculative. I have less to contribute in terms of my own research on this, but there's a way in which I believe it is difficult to construct durable community in a highly consumerist society. Some critics of consumer society argue that consumerism has destroyed community. That may not be right. **More likely, capitalism destroyed community and consumerism came along later in some ways as a substitute for community.** That strikes me as a better account of the destruction of community in the United States than the standard story from the consumer critics. But I think what consumerism has done is to make it more difficult to reconstruct community because it undermines the daily life conditions which true reciprocal bonds require. It keeps people locked into what I've called the cycle of work and spend.

**HOLT:** That's what I'm trying to understand. Is it a different story than people just don't have time?

**SCHOR:** Time is a big part of it, but there's also an issue of orientation and goals and what people deem important. So it's a bit derivative.

**HOLT:** Okay. So, then, is it fair to say that both of your early books and other writings that spin off from them are attempts to explain the macro

case of society dominated by consumerism and to try to ameliorate some of these problems?

**SCHOR:** Yes. The first book is about the production side and how the structure of production makes it difficult to have any outcome other than the consumerist outcome. It's about how workers can't take productivity growth in the form of leisure time.

**HOLT:** Let's go through this. In *The Overworked American*, you formulate an argument called the work and spend cycle. Why don't you state the thesis and why it was a distinctive thesis versus some of the work that economists were circulating at the time and that you were pushing against.

**SCHOR:** Sure. But I want to come back to the point that if you want to understand consumption, you have to analyze it in the context of production. I think the linkage between production and consumption is really important and is absent in a lot of other accounts, including both critiques of consumer culture and standard economic analysis. So, the argument of *The Overworked American* was that you have a bias in a labor market, which is that employers refuse to allow a market in hours to operate. They don't let workers choose the number of hours they want to work or give them the opportunity to take productivity growth in the form of shorter hours. Firms set long hours, which go with jobs. If you take a job, you have to work the prescribed hours.

**HOLT:** This is because there's a fixed cost of benefits to go with the job and so they have a strong economic incentive to push for as many work hours as possible to lower the average (fixed + variable) hourly wage.

**SCHOR:** There are a couple of different cost structures that employers face and the one you mentioned is the most important. But there are a variety of costs which grow in the post-Fordist era which are paid on a per person basis rather than a per hour basis. Take all types of fringe benefits such as medical, pension, disability, unemployment insurance. Some are purely per person, others level off at a certain level of hours. There are a few other aspects to the cost structures facing the employer, such as the situation of salaried workers. If they're paid on a monthly or yearly basis, then the firm is able to extract extra hours from them because the market in hours isn't functioning. There's also a more esoteric issue, which is actually what got me into this topic, and it involves the scarcity value of

the job or what has been called the employment rent. In jobs which are paid by the hour, when hours increase, the worker loses more income when he or she loses the job. So workers are more invested in their jobs when they carry longer hours. They give more effort and are easier to control. Here's an intuitive way of understanding this employer preference for long hours: think about how much you have to give up in terms of pay, promotion and benefits to get a short hours job. For the privilege of working short hours, the employee pays a huge penalty. That's the way firms have structured the labor market.

**HOLT:** And you see that reflected in gender bias?

**SCHOR:** Yes, because women have stronger preferences for short hours because of their household responsibilities, they are more likely to make those sacrifices and take those shorter hour jobs.

**HOLT:** I don't think anybody would argue with you that Americans are working more hours than workers in other countries. And probably one could point to political and historical reasons for these results. But what is the mechanism by which long hours lead to consumer society?

**SCHOR:** Start with productivity growth occurring at, let's say, an average of 3 percent a year, which means that we could take 3 percent more leisure and produce the same level of output. Alternatively, we could take that extra 3 percent and put it towards more output, which translates into more income for people. What I'm saying is that employers only allow the second option; namely, the translation of all productivity growth into higher output. Of course, they try and keep as much of that income for themselves, but ultimately it gets doled out as income to somebody. Right now, it's going to the upper portion of the income distribution and it's also going into corporate profits. But it's not being used to reduce working hours. It's all going towards higher levels of output. The output is sold and becomes income to the firm, which then disperses it to employees. So then you have a workforce which is getting that additional income. Then the income is virtually all spent on consumer goods and services. That's the core of work and spend. Why is it that people don't save the money or vote to pay it to the government in taxes for more public goods? Why don't they save it up over a number of years and then leave the labor force? Obviously, some of this is happening. But I'm saying there's a bias towards private consumption. The explanation for that is the subject of

the second book, *The Overspent American*. One part of the answer related to asymmetries in people's preference for present versus future income. That's where the cycle (in the work and spend cycle) comes in. But we may not want to get into those details.

**HOLT:** But what is provocative about your thesis is that you are suggesting the causality is from work to spending and that it's because leisure hours are restricted. Is that it or is it because earnings are rising?

**SCHOR:** It's the same thing. Less leisure means more income. Less income means more leisure. There's a trade-off between income and leisure. What I'm saying is we're always taking the income rather than the leisure. So let's get to where I differ from the standard analyses in sociology, anthropology and cultural studies, which typically locate the drive for consumption elsewhere, and from standard economic analyses which have a very different view of the labor market. Let's start with the economists. The view in economics is that workers choose their hours. If you have a highly consumerist society, it's because people want lots of consumption and they don't want leisure. Workers' preferences determine the outcome. What determines preferences? They're not going to talk about that because that's something that sociologists do or they're attributed to human nature. Preferences are exogenous to the economic analysis. If the US is taking a more consumerist path than in Europe, it's because that's what people prefer. If Americans really wanted more leisure, they would take it. There's no structure in the labor market that makes it difficult or impossible for workers to get more leisure time. And who are you, consumer critic, to beef about the choices that people are making? You're just an elitist academic, looking down on people for wanting to spend their weekends at the mall buying junk. The neoclassical story is that workers get what they want. My story is that workers end up wanting what they have gotten. I believe, as the neoclassical economists do, that when you ask people, you'll get a relatively high level of satisfaction with the current hours/income trade-off, but that's not because people had preset preferences that got satisfied. It's because people adapt to the level of spending that they've done. In the survey data presented in my book, people are responding that they'd rather have more leisure than more money. But they don't get the leisure. They get the money instead. Once they get the money, they spend it. And when you ask them a year later or two years later how do they feel about their hours/income trade-off, they don't want to revert to their earlier preferences and say now I'm working too many hours, I want to give back



some of that money and get more free time. Once they've spent the money, they're acclimatized to it. Their preferences have changed. Year after year, they don't get free time and they adapt to a rising standard of living.

**HOLT:** So it sounds like, with work and spend, you have a theory of why there is an ultimate lack of leisure in the US society, but you don't have a theory of what leads to consumer spending.

**SCHOR:** Here my story is more familiar. The arguments I made about the labor market were novel – there was one unpublished paper in economics that made a similar argument. It was written in 1969. My story about why income gets translated into spending is better known, especially in sociology. I argued that **people consume [according] to norms which are set socially. It's a story very much in the spirit of Bourdieu and also Jim Duesenberry, who was my colleague at Harvard. In the 1940s, he wrote about keeping up with the Joneses. What's novel in *The Overspent American* is my argument that in the 1980s and 1990s, the United States entered a period of intensified competitive consumption (my term). It also entailed a change in the way the aspirational process for consumption operated, which is in a shift from what I call horizontal to vertical emulation.** The idea is that the lifestyles of the top 20 percent became an emulative target for the whole society. The dominant consumption reference group, to use a sociological term, was now the top 20 percent. That was driven mostly by two things. One is the change in the income distribution: the top 20 gained relative to the bottom 80. This, by the way, is why we are different than Northern or even Western Europe. I believe more unequal countries have more intense consumption competitions. The growth of inequality in the last 25 years in the United States has been central to the intensification of status competition in consumption.

**HOLT:** The US is the most socioeconomically unequal country among the industrialized countries. So, with your argument, would you expect less developed countries with high inequality, such as Brazil, also to have a higher rate of consumerism?

**SCHOR:** Probably. It also depends on how much social segregation you have. If you have a very large group of people who are very socially marginalized from the top 30 percent, it doesn't necessarily translate into effects across the whole distribution. In the United States, although we have social exclusion, I think that we have more participation in a common consumption culture.

**HOLT:** That's through the social networks or through the media? What is the mechanism? Is it through the labor force?

**SCHOR:** I think it's mostly through media and consumer experiences. I don't think it's as much through social networks because there you do have a fair amount of exclusion. But if you look at poor and lower middle-class folks, their consumption aspirations are pretty similar to middle-class and upper middle-class people. They're more modest and they have less of an expectation of being able to succeed in their consumption aspirations, but people across the distribution want the same designer goods and roughly the same bundle of products. I think the media's really key in that. I think one thing that is happening is that as you shift to a more global consumer culture, with a global media, you are getting more convergence in consumption aspirations around the world.

**HOLT:** Here I think your thesis is more contentious. I think your argument in *The Overworked American* was distinctive, as you say, but probably more widely accepted. This demand-side thesis runs against the grain of a lot of writing about consumption from historians and sociologists. Maybe we can talk about that. So you're saying **there was an inflection point in the 1980s that was caused by growing inequality in the US?**

**SCHOR:** Yes. **It was also caused by the rise in television viewing time and the decline of social engagement.** I believe that, historically, consumption desire has been stimulated in large part through social interaction rather than primarily by media and advertising.

**HOLT:** That argument certainly runs against what many academics believe. I think most writers and historians who have looked at the rise of consumer culture tie it to the rise of mass media. Magazines are the first instances and the rise of department stores at the turn of the century. Then there's another big inflection point with television going national in the mid-1950s. Those developments are tightly tied to the formation of a consensus idea of the good life. You need the ranch house in the suburbs with the modern appliances and the big Chevy outside and all the things we see. I think there's compelling evidence that those effects did and do indeed take place. You're saying that there really wasn't that strong an effect until the 1980s?

**SCHOR:** I don't want to absolutely deny the importance of those things. But my view is that through that period, those effects always got worked

out through social processes. Department stores are different because they're not 'media'. But with magazines and television, their power derived in large part from being embedded in a social process. So you might have the early adopters, who are the first on the block to get the new item or the new style being driven by media, but it's through social interactions that the adoption of products occurs. It's person to person. I just think that's a more forceful mechanism. So you can't completely separate them. But I think advertisers could have gotten out there with all the messages they wanted. They wouldn't work independent of the social networks. The messages had to resonate with those social realities. But what I'm saying about the 1980s and later is that you have the decline of those social networks and the rising importance of media and advertising. The 1980s start an important shift in terms of the decline of the social. The neighborhood, which was the historic site of consumption comparison in the postwar era, becomes very unimportant.



**HOLT:** So this is Putnamesque? Some people have criticized that thesis as being more of a middle-class kind of story. The middle class became even more socially uprooted and more tied to work. But if you're in a working-class neighborhood, is that holding true as well? I don't know what the evidence is for that.

**SCHOR:** I think it's pretty much across class. Of course, you never had such a strongly based household comparison among the poor because a lot of competitive consumption took place outside the household, with appearance goods and vehicles. But, in the middle classes, it was more of a household-based dynamic. But I don't want to state this too strongly. I'm not saying there's no more social or interpersonal consumption communication. Of course, that still goes on. But I think you get a shift towards media being more important in setting lifestyle norms and creating reference groups as opposed to day-to-day interpersonal interactions. And certainly the neighborhood declines a lot, which is why you get the vertical emulation. The neighborhood is a very horizontal social space, economically. People in neighborhoods have similar economic situations, and, in workplaces and in the media, it's vertical.

**HOLT:** Trying to put myself in the community of people who write and think about these things, I'd say that few people would argue with you. They might take you to task on the specifics of . . . was this the inflection point? But not on the increasing power of media spectacle, the mass culture

controlled by large companies versus the lifeworld (i.e. the neighborhood community). I don't think anybody would argue that over time there's been a strong movement, especially in the US, in favor of mass culture over community. It's the other piece of the thesis that people might argue with. The more controversial part, I think, that flips around a lot of arguments that have been made by academics and critics that there was an increase in the emulation of luxury. It's almost back to Simmel and Veblen's 'trickle down', that all of a sudden, in the 1980s, income inequality went up, richness became more of a good thing, something that regular society valued more.

**SCHOR:** That the idea of media relative to a lifeworld balance changed. I would say that a lot of the people who write about that do so in a sweeping way that doesn't pay much attention to what's actually happening in people's daily lives. I was trying to give a more empirically grounded argument about why this was happening, which looked at how people are actually spending their time and arguing that that's really important to understanding consumption dynamics, rather than just sort of throwing out these big theories that say, 'oh, people shifted from this mindset to this mindset'.

**HOLT:** Hours of television watched . . .

**SCHOR:** Exactly. And the empirical work in the book shows that the more hours of television people watch, the more money they spend and the less they save. It also refers to the data which shows that people are spending less time in conversation with each other or less likely to go into each other's houses and those sorts of things. I think that it's important to understand why the media has become more important. You want to think about the actual social processes that are occurring. I also provided data on what people say about their reference groups. I asked people about who they compare themselves with.

**HOLT:** But a contrarian might say that among teens, even in the US, there's still tons of social interaction in peer groups. Yet the media effects are startling.

**SCHOR:** I would agree with that.

**HOLT:** How do you disentangle that?

**SCHOR:** I think what's happened there is that the marketing and advertising has been able to insinuate itself into the social contexts of youth and it has become very powerful in driving social dynamics. As teens age and their social interaction declines, I think that the media and consumer effects will probably stay with them. You can have different configurations. You can have active social, non-powerful media. You can have powerful media and active social. You can have neither powerful.

**HOLT:** Yes, but is it possible to flip the argument around and say that the media and the commodities it produces, whether it be musicians or celebrities or stuff we buy, directs social interaction because they are providing the interactional resources? There could be more social interaction today, but it is around commodities and spectacles. I'm just a little confused why you need the breakdown of community, the Putnam story.

**SCHOR:** I'm not sure that you do *need* it. I just think that's the way it happened. If you consider television watching, it's a default activity for adults. In countries which have longer hours of work, people watch more television. It's not that you had to have the causal variable of media capturing people's interest and therefore they stopped being civically active. **Rising work time pushed out socializing and TV came in to fill the void. The rise of consumer aspirations is a result. That's just an empirical statement.**

**HOLT:** Okay. And so the other part of the story is the upscaling of these desires?

**SCHOR:** Right. This is the place where I really am very much taking an opposite point of view from the literature, when everybody declared the death of status consumption and lamented that the scholarship had been trapped in a Veblenian vise. It was almost as if Veblen had been a pernicious force, overshadowing all consumer research. People were determined to get out of that box. The place they went was an individualistic model, which saw consumer motivation as emanating from individual identity projects rather than group conformity or people aspiring to social norms. In many ways, this moved the literature to an understanding of consumption which is very close to neoclassical or neoliberal economics. I think it wasn't accidental either because it happened in the 1980s with the rise of Thatcherism and Reaganism, and, although a lot of this literature has a different political veneer to it, I see it as a very similar intellectual point of

view to neoliberalism. What are the neoliberals saying? That people have a set of preferences and they satisfy those preferences and get wellbeing through what they consume. I mean, on some level, can you even debate that statement? It's almost a truism. But – and the word postmodern is not exactly right because if you want to talk about postmodern consumption, there are two very different notions of it in the literature – but the one that I'm talking about is the idea of a postmodern consumer who is creating identity, who has a certain type of preferences and who is into frequent changes in consumer preferences. That story is totally consistent with neoclassical economics. I find it very peculiar that the literature rejects Veblen and Bourdieu just at the moment that we enter a period of intensified status consumption. They're fighting the last war. They forgot to look and see what was happening around them.

**HOLT:** Coincidence. So your argument is that the 1980s brought this on because these high-end status goods are getting circulated through the media and being presented in the media. That it has a sort of trickle-down effect. It heightens the trickle down that had been going and never went away, but because you have more expensive goods and more luxurious lives being portrayed . . . it's not Leave it to Beaver anymore, it's Alice . . .

**SCHOR:** Okay, but why does it happen? It's because the income distribution changes. That's key and it's mainly absent in these so-called post-modern and other anti-status kinds of accounts. It's perhaps *the* central variable for understanding how consumption system works. Societies with more egalitarian distributions of income and wealth have much less visible status seeking. Think about the places where you have lots of public consumption and less luxury consumption – Scandinavia, Northern Europe – these are egalitarian countries. In the unequal countries, such as Britain and the US, you've got a lot more status seeking. So it's both the media and the income distribution. I think you can see the evidence in the purchasing patterns around the core status commodities, which are vehicles, housing and what we'll call appearance-related commodities. It also spreads out beyond those. One of the interesting things that happens is that there are many more commodities brought into the competition. Firms are always looking to create more status opportunities because, after all, what is a status good? It's a good that can be branded; that is, a good that people will pay a status or brand premium for. So you do get lots of goods brought into this status system that previously were unbranded and didn't offer status opportunities to the producing companies. The question is, 'how much will

consumers respond?’ and here’s a period in which you have a big expansion in commodities and even a move towards previously privately consumed commodities becoming status goods and therefore coming into public visibility. Take the kitchen, for example. Forty years ago, when people threw dinner parties, they didn’t have the guests in their kitchen. Now, of course, with more informality, kitchens have become a huge status good and they are opened to the rest of the house and guests are in them. There’s much more social flow through the kitchen.

**HOLT:** I don’t think anybody writing on consumer society would argue that there aren’t still status effects. But I think the argument is that the status effects of the postwar period are probably caricatured more than studied carefully. I think, generally, people would agree that there was something more like a Veblen/Simmel sort of effect in that period, where there was kind of a packaged good life that people aspired for. You started out with your Chevy and you moved up to the Oldsmobile and the Cadillac. One version of the postmodern argument is about that kind of single sort of staircase which, when people talk about status competition, I think that’s usually what it’s referring to. This particular status game has broken down. So it’s not that status is gone, in terms of using goods to be admired and respected by others. Rather, I think the argument is that status operates in a more complex way now than the trickledown theories of the modern era suggest. It’s no longer, ‘there’s the rich, there’s the upper middle class’. They set the agenda and, as they are mimicked, they protect their status by inflating their desires to the even bigger house with the even bigger range and even bigger kitchen.

**SCHOR:** What I agree with in that story is that there are more goods now. So let’s say, car. Now you have a range of high-status options. You can get the SUV option, you can get the BMW option, you can have a German luxury car or a Japanese luxury car or an American luxury car. In the 1950s, it was only the American luxury car. There’s a proliferation of product options. You’ve got to be saying more than that.

**HOLT:** So there’s an upper middle class in the United States. This change in income distribution has grown the upper middle class. We’ve gone from a bulge in the middle to an hourglass, a big bottom-shaped hourglass society where you have the top 15 percent or so of the society working in middle-class jobs today. And at the bottom, the rest are not in supervisory salaried jobs. Maybe 20 percent? Roughly that. So you’ve got a winner-take-all economy. One of the effects is that it has created a luxury market. So if

you study retailing, department stores or any class of goods, what you see in most of these is a move upward and downward. So you have Wal-Marts and you have boutiques. Mid-tier department stores struggle to stay in business. In automobiles, the middle tier kind of disappears and you have a proliferation of luxury goods servicing that top 10 percent of the market that can afford them. So I don't think that's a status effect. That's just the market moving to people with money. The status effect would be that for the bottom 80 percent, behavior has changed, as they try and get a piece of that life that the upper class has.

**SCHOR:** Yes. And that's what I've argued has happened and I have survey data in my book which I think is consistent with that interpretation. But how do you define upper middle class? I define it as the top 20 percent and above. That's about \$100,000 a year income and above now. The top of that group is the wealthy, of course. What I'm saying is that in the bottom 80 percent, people want what the top 20 percent have, versus the people at 40 percent wanting what the people at 50 percent have, and people at 50 wanting what people at 60 percent have. That was the horizontal emulation system, where people want just a little more than what they have. Now, that \$100,000 a year plus income is an aspiration across the distribution, even for people who have very little or no chance of achieving it.

**HOLT:** So take a family at the median US income, making perhaps \$45,000 per year, what evidence would you bring to demonstrate that their consumer behavior is more emulative of this upper middle class in the 1990s than it was in the 1970s?

**SCHOR:** There's not a lot of direct evidence on that. I have a little bit of survey data in the book which speaks to that, which is about the amount of money people want to make their dreams come true. There's a big increase in the amount of money that people aspire to having in the 1980s and 1990s. The fraction of young people who rate being really rich as their number one aspiration grew dramatically. There's a big increase in people who say that having a lot of money, having a job that pays more than the average, having a really great wardrobe and having a second home are part of their view of the good life. Those are all things that are characteristic of the lifestyles of the top 20 percent. Fewer care now about having a happy marriage, children and a meaningful job. Another factor is the rise of consumer credit, and the place where you see it most is in the \$50,000–\$100,000 income category. At that level, people can't do very



much in terms of actual behavior to get that high lifestyle because they have very little discretionary income by the time they pay rent and food and transport.

**HOLT:** That's half the country, right?

**SCHOR:** Yes. What I'm saying is, you see it in their aspirations. You can't see it in their spending. But that's where you're more likely to see single people who get into credit card debt, buying small luxuries that really they can't afford, but too many of them . . . or college students buying stuff. People early in their earning careers. The \$50,000–\$100,000 category disproportionately took on consumer credit in the 1980s and 1990s. They're the people struggling to keep up with the rising norms, the so-called new essentials of middle-class life.

**HOLT:** So where you see your status effect most pronounced is amongst the kind of people who are at the cusp of the new middle class, what you're calling upper middle class? Perhaps they have a college degree, but they don't have the great job that provides the big income. They're still . . .

**SCHOR:** Aspiring . . . they're the ones who are getting the jacuzzis in their houses or emulating upper middle-class life. I also think this explains the growth of these little luxuries that we've seen a lot of. People who pay for a big status premium percentage-wise, but on a small purchase. Starbucks coffee at \$3.50 rather than a generic at 75 cents or bottled water or footwear or lipstick. When they can't afford the big ticket items, they get small ones. It's not just the top 20 percent of the distribution that goes for luxury. They're also striving for the big ticket items when they can. That's why auto leasing became very important, because it allowed many more people to drive luxurious cars than could actually afford to buy them.

**HOLT:** I think it's important to acknowledge that you work with different kinds of data than the data often used by culturalist researchers, which would look at tastes more closely, and once you get to that level, you see huge differences across class rather than emulation. To take an example from the branding research I've conducted, brands targeted to the lower 60 percent of US society are often sold with brand symbolism that pushes against the upper middle class. It's not emulative at all. For instance, Budweiser makes fun of Heineken and the yuppies who drink it, as a simple example. And that's fairly consistent across the brands that I've studied.

**SCHOR:** Fair enough for Budweiser. But a very big counter-example is Martha Stewart. Ditto for Ralph Lauren. Look at the whole apparel market. It's been very much along these lines, which is that the designers are marketing all the way down to the bottom.

**HOLT:** So Martha Stewart is a luxury good?

**SCHOR:** Absolutely. She starts out with super high cultural capital, very elite, trying to put herself forward at the top of the distribution. Then she markets herself out across the whole society. Eventually she ends up at K-Mart. What she's saying is, I can bring you elite lifestyle, even if you shop at K-Mart. Do you disagree with that?

**HOLT:** I don't totally disagree with it. She is selling a version of American lifestyle that offers up the leisurely moneyed life of the wealthy, in some sense. But the version of it she's selling is the world of homemaking, an anti-consumerist world. Let's take our time, make stuff at home, cook our own stuff, have families together. So I'm not sure that she's upscaling working-class people to luxury consumption.

**SCHOR:** But it's absolutely very high consumption. It's true it takes a lot of labor time to do it, but that's really the Veblenian world because those were the days when wives weren't in a labor market.

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