

CONSUMPTION

Value from Meaning

Consumption is the sole end and purpose of all production.

—ADAM SMITH, *The Wealth of Nations*

ECONOMIC THEORIES differ widely in their assessment of the importance of the demand side of the economy. Neoclassical theory follows Say's theorem that aggregate production creates an equal quantity of aggregate demand. Keynes, on the other hand, saw the demand side as the Achilles heel of the capitalist economy. Indeed, demand is precarious and cannot be taken for granted. However, while Keynes believed that the pessimistic sentiments of investors and insufficient purchasing power of consumers were the main causes of low demand, consumer motivation must also be taken into account. What attracts consumers to products and why, even in affluent consumer societies, does demand continue to exist for a seemingly endless proliferation of new products? Fictional expectations are crucial to understanding the expansion and dynamics of consumer demand.

For most people in modern consumer societies, the desire to consume appears quite natural, and warrants no further inquiry. A closer look, however, reveals that demand for products is far from spontaneous. For most of history, societies maintained levels of wealth defined by custom rather than by the striving to maximize consumption levels as they now do (Sahlins 1972). Such a traditional way of life still dominated societies at the time of the industrial revolution. As Chapter 2 mentions, when industrialization first encountered traditional social lifestyle, entrepreneurs were recurrently confronted with workers who would end their workday when they had earned whatever they defined as sufficient (Thompson 1967). They would rather save surpluses than spend them. Some entrepreneurs would even sell their

firms once they had made enough profit to live on. The possibility of earning additional resources to consume beyond these perceived needs was not attractive enough to motivate further work.

Unsurprisingly, given the poor standard of living at the time, once these traditional attitudes loosened, the desire to acquire additional consumer goods followed. At this point, at least for the lower classes, consumption served mainly to fulfill very basic needs. A first movement toward the expansion of consumption with a focus on cultural and social needs can be found among the European nobility in the sixteenth century. Only in the eighteenth century, though, did modern consumption, centered on the cultural and social meaning of goods, begin to develop more broadly. Actual consumer societies developed only in the first decades of the twentieth century, with the United States leading the way (C. Campbell 1987; McCracken 1988). Consumption became a pillar of modern life and was fundamental in expanding capitalist growth. Detraditionalization, the development of bourgeois consumer ethics, expanding purchasing power, and the activities of an ever-more refined advertising industry were all factors that made this expansion of consumerism possible.

Capitalism depends on the expansion of consumption to create the aggregate demand that allows for the selling of expanding supply (Bell [1976] 1978; Galbraith [1958] 1998). For this it needs willing and confident consumers. The rise of living standards during the twentieth century has meant that more and more people in affluent countries are able to satisfy their fundamental needs. One hundred years ago, the average household in an OECD country spent 80 percent of its income on food, clothing, and housing. This figure has dropped to 30 to 40 percent today (Adolf and Stehr 2010: 3). From this perspective the question of why affluent people continue to purchase more goods instead of saving their money or simply working less is an intriguing one. Sociologists of consumption emphasize that “consumers do not automatically use surplus income to satisfy new wants” (C. Campbell 1987: 18). Market saturation and decline of demand are constant threats to markets (Fligstein 2001: 17).

Why is there scarcity in the midst of abundance? The answer to this lies in understanding what attracts customers to the goods they purchase.¹ George Shackle defines a commodity as an object that “promises performance” (Shackle 1972). To be willing to “sacrifice” money to purchase a consumer good, a buyer must have a positive view of that performance and the “difference” it will make to his or her life. Consumption is thus always

associated with imaginaries of the future. Departing from the view that recognizing these promises and desiring such future performances is “natural” or spontaneous, it is clear that the expansiveness of capitalism does not depend on the supply side and available purchasing power alone: the creation of positive expectations in consumers regarding the performance of the goods to be purchased is just as crucial. What are the performance promises that engender expectations strong enough to motivate actors to make the sacrifices necessary to purchase ever more products?

Buyers’ attractions to goods brings us back to the question of valuation.² This is a valid connection since the promise a product makes in the eye of the consumer is nothing but the outcome of an evaluation of it. Many studies of valuation in economic sociology focus, however, primarily on issues of the classification of goods, leaving unattended the question of why actors feel attracted to goods in the first place as well as any serious discussion of the macroeconomic significance of consumption in the operation of capitalism (Streeck 2012: 11). Examining the role of fictional expectations in motivating consumption and their significance to capitalist dynamics can close these gaps.

Fictional expectations about consumer goods revolve around the images evoked by these goods and the desires prompted by imagining their possession. These imaginaries in turn revolve around the meaning a buyer ascribes to a given product: consumer markets, in other words, are markets for meaning.

Fictional expectations play two roles in the purchasing of consumer goods. The first parallels their roles in investments and innovation, as already discussed in earlier chapters. Imaginaries associated with consumer goods are placeholders that help actors deal with uncertainty. Consumers considering new consumer goods have no clear idea of the satisfaction they will obtain from these products. From a rationalistic perspective, it is therefore difficult to explain how demand for novel products develops. Given the uncertainty associated with new products, a “rational” consumer “would simply not strive to obtain new products or services as this would . . . be more in the nature of an adventure or a gamble than ‘calculation’” (C. Campbell 1987: 41).

Imaginaries can close this gap. Imaginaries associated with a good before it is purchased inspire consumers to project a desirable life situation that its acquisition will help them to achieve. Imagined new experiences can be an intrinsic motivation for consumers’ experimentations with novelty (An-

dreozzi and Bianchi 2007). In their imaginations, consumers act *as if* they already possess the product whose purchase they are considering and thus “test” whether the product would bring the desired satisfaction. To refer once more to Alfred Schütz’s (1962: 20) theory of action, the possession of goods can be imagined in the future perfect tense. The evocation of future satisfaction itself creates desire. Following John Dewey ([1922] 1957), “anticipatory consumption” forms an obstacle, in that the goods are desired as an end in view but not yet owned, which itself reinforces the desire to purchase, thus motivating demand. The same idea was also expressed by Georg Simmel, who postulated that the “possibility of enjoyment must be separated, as an image of the future, from our present condition in order for us to desire things that now stand at a distance from us” ([1907] 1978: 71). By creating desires in the present, imagined future satisfaction drives consumer demand.

The second role fictional expectations play in consumption is not related to the future per se, but rather to the symbolic representation of transcending qualities in consumer goods. Goods can be desired for the symbolic meanings they carry that have nothing to do with their material qualities.³ Desire for the symbolic qualities of goods does not depend on an individual’s physical needs, implying that in principle, there is no limit to the expansion of demand based on symbolic value. Goods desired for their symbolic value therefore entail a much greater potential for growth than goods that are desired for their physical performance alone (Hutter 2011; Reisch 2002: 227).⁴ It is not by chance that the economies of affluent societies are increasingly built around expectations about the symbolic performance of goods. If aggregate demand depends on consumers’ desires for symbolic value, the production of consumer dreams is itself a productive force in the economy. As the increasing growth of marketing costs as a percentage of overall production costs shows, more and more extensive efforts must be made to create the socially enshrined symbolic meanings that make goods valuable (Hirschle 2012: 138). Without giving attention to the fictional expectations associated with symbolic value, it is impossible to understand the markets for most of the products that create growth in modern economies: not only cars, tourism, mobile telephones, computers, fashion items, and real estate, but also antiques, wine, lotteries, and fair-trade products, to give just a few examples.

From this perspective, the precariousness of current-day capitalist growth is also clear. The fictional expectations associated with consumer goods are

particularly unstable, even evanescent, since they are largely anchored in the inter-subjective recognition of symbolic qualities attached to them, not in the material qualities of the goods themselves. The success of products “goes together with quick failure, as when the space for dreams associated with a particular brand no longer resonates with the symbolic needs of a large enough group of customers” (Djelic and Ainamo 1999: 628). Declining growth rates in affluent consumer societies over the past forty years may also indicate that new products being introduced to the market are less effective at inspiring consumers’ imaginaries, and that established products such as cars are losing their imaginary attraction.

The work of Emile Durkheim, who has dealt with symbolic value in the economy in several of his works (Durkheim [1893] 1984, [1911] 1974, [1957] 1992), can shed light on the role of imagined futures in consumption. Although Durkheim’s sociology of religion does not deal explicitly with the valuation of economic goods (Durkheim [1912] 1965), it offers a particularly informative perspective for understanding the role of fictional expectations in decisions about consumption.⁵ Indeed, *The Elementary Forms of the Religious Life* can be read not only as a sociology of religion, but as a sociology of valuation, in which fictional expectations are paramount. Durkheim’s analysis of totemistic religions is the ideal tool for exploring how the value of consumer goods is created and maintained. Kendall Walton’s (1990) theory of make-believe games, introduced in Chapter 4, is also useful in this regard. Together these theoretical foundations support the idea that the symbolic value of consumer goods depends on an implicit agreement among consumers regarding the meaning of a brand or product, which is a form of make-believe.

The symbolic connections between goods and the social position of their owners are a key source of demand, as are socially rooted values and aesthetic ideals. If the economic value of goods is closely linked to social values, then the desire for goods cannot be understood as the mere expression of hedonistic individualism (see Bell [1976] 1978). The fictional expectations associated with consumer goods connect them to the social and moral order of society (Fischer 2014; Fischer and Benson 2006; Richins 1994; Stehr, Henning, and Weiler 2006), which is expressed, reinforced, and challenged through the meaning of goods.

Expectations related to consumer goods are subject to the politics of expectations. To attract consumers, firms use marketing to tell stories that link their products to specific meanings. The struggle over the meaning of

consumer goods is therefore a crucial aspect of the competitive struggle among firms; the final part of this chapter discusses the mechanisms that demolish the fictional expectations associated with specific consumer goods. While the demolishing of the value of sacred objects is not a frequent phenomenon in religions, it is vital to understanding the dynamics of capitalism. Cognitive space can be opened up to foster desires for new products especially if products already possessed lose their attraction over time.

THE FICTIONALITY OF THE VALUE OF CONSUMER GOODS

One crucial consideration in a consumer's motivation to purchase a good is the functionality of the product. Goods can alter physical states of their owners in many ways: a shirt covers the body and keeps it warm; a car brings its owner from point A to point B; a house provides shelter from the weather. Considerations of this kind can be expanded to take into account differences in quality within a given product category, in order to distinguish among goods of the same type. One shirt can be warmer or more durable than another; one car can be faster, safer, or more comfortable than another; and so on.

This physical performance of a good is objective in the sense that it is a quality of the object itself.⁶ The valuation of its physical qualities, on the other hand, depends on its user's cognitive understanding of the good (C. Menger [1883] 1963; Witt 2001: 27). Since a potential purchaser values a good based on her knowledge of it, valuations differ depending on which of its physical qualities a potential user recognizes. There is no value without knowledge, and value differs among actors with different knowledge—a point famously analyzed by George Akerlof (1970) for the case of used cars.⁷

When it comes to understanding fictional expectations in consumer demand, the physical performance of goods is secondary to two other types of value. A product's positional value expresses its capacity to position its owner within a differentiated social world. Products that co-occur among certain types of people and social occasions make it possible to infer the social status of their owners (Ravasi, Rindova, and Stigliani 2011). Demand for this positional value is explained by desire for status. Preferences for these goods are not exogenous; rather, they emerge endogenously, as actors observe the behavior of other market actors. In other words, “scarcity is fundamentally a social relationship” (Orléan 2014: 96).

Judging the positional performance of goods requires agreement about their meaning among the group in which the judgment takes place (Miller

1998; Reisch 2002: 232; Witt 2001). In this sense, it is a make-believe game in which many actors agree that a specific good signifies a specific social position and identity—that possession of a given commodity stands for being rich, fashionable, sophisticated, competent, and so on. Although some variation may exist in the way an object is interpreted, a complete lack of agreement among the members of the social group would make it impossible for the object to be used as a signifier of social status and social belonging. Positional value does have an objective basis, but this objectivity is not anchored in a product's material qualities. Instead, it depends upon what meaning is ascribed to the product in the actor's social environment. This should not, however, be understood as a form of contractual agreement: it is the outcome of an ongoing and power-laden communicative process by which objects are classified and defined (Bourdieu 1984).

The positional value of goods has been meticulously described in sociological and anthropological accounts, notably by Thorstein Veblen ([1899] 1973), Georg Simmel ([1904] 1971), and Pierre Bourdieu (1984). The early sociology of consumption emphasized the hierarchical stratification that occurs through the possession and exhibition of luxury goods, the social dynamics that develop out of attempts by lower social classes to imitate the consumption patterns of the upper classes, and the reactions to these imitations by the upper classes. More recent accounts of the social performance of goods place focus less on the element of status and class differentiation and more on the multilateral constitution of heterogeneous lifestyles through different patterns of consumption (Arnould and Thompson 2005). Differentiated lifestyles are expressed in specific consumption patterns, and constitute and convey various aspects of actors' social identities. Consumers construct a wide range of identity narratives associated with certain kinds of products offered in the market, a process that may be seen as the democratization of symbolic value creation (Djelic and Ainamo 2005: 48).

Like its positional performance, a good's imaginative performance is based in its symbolic qualities.⁸ In both cases, the good is valued based on qualities that transcend material reality. In this sense they are fictional: "People buy things not only for what they can do, but also for what they mean" (Levy 1959: 118). Imaginative performance refers to the images commodities evoke.⁹ These may be based on symbolic associations with desired events, people, places, or values (d'Astous and Deschênes 2005; C. Campbell 1987; Holbrook and Hirschman 1982; McCracken 1988: 104ff; Ullrich 2006: 45ff.) and thus express desired futures that become "attainable" through the

purchase of a specific product. In this way, a good functions as a link between a subject and her desired but intangible ideals. Imaginative performance does not need recognition by anyone but the imaginer to exist. It relies only on the cognitive and emotional assessments of the purchaser, who seeks a “connection” to the spaces, times, people, or ideals the object she is purchasing embodies in her eyes.¹⁰ Figure 8.1 depicts the differences between the types of value explained above.

An unlimited number of instances may be identified in which demand for consumer goods is constituted through the symbolic associations and images their symbolic connotations evoke. The imaginary power of consumer goods occurs in several dimensions: it occurs through time, by associating their owners with a desired future state or a distant past; through *space*, by connecting their owners to desired but distant or unreachable places; socially, by linking their owners to out-of-reach people; and through values, by linking their owners to values they espouse. All four dimensions transcend the “here and now,” allowing a good’s owner to mentally associate

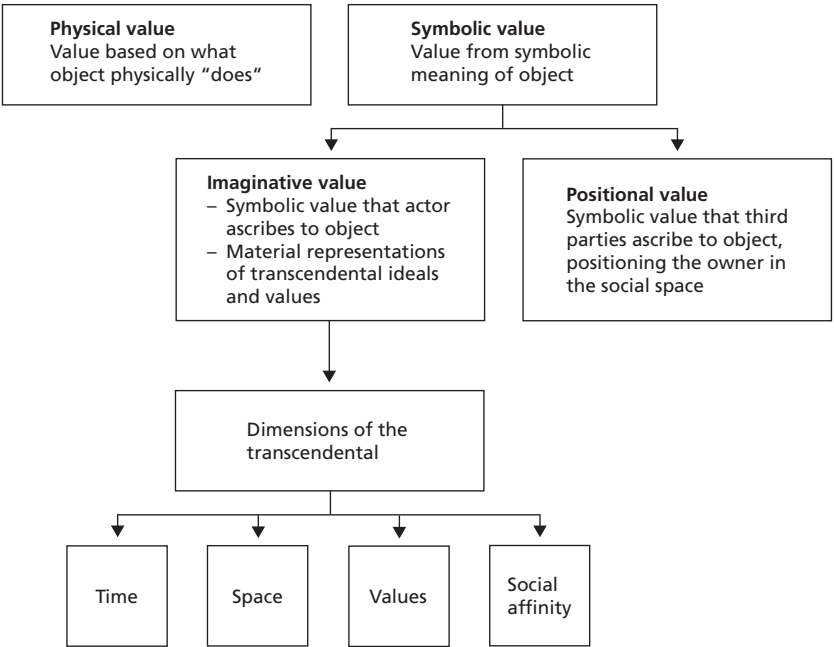


FIGURE 8.1. Typology of value.

herself with otherwise intangible things. These associations are fictional in the sense that they add qualities to the good that exist only through ascriptions of meaning.

Associations with the future are particularly evident in the purchase of lottery tickets (Beckert and Lutter 2009, 2013; Lutter 2012b): two-thirds of German lottery players state that they daydream about what they would do with their future wealth.¹¹ Lottery players picture a wealth-filled future based on the slim hope that the numbers on their tickets will be drawn. The global market for this product exceeds USD 200 billion and is fueled entirely by players' imaginaries of a future in abundant wealth.

Blood banks that store babies' umbilical cord blood for use in stem-cell therapy later in life constitute a medical consumer market also built on imaginaries of the future (Brown, Kraft, and Martin 2006; Martin, Brown, and Turner 2008). This market is being developed on the claim that stem cells can only be collected at birth, and is built on imaginaries of future medical needs and the fears of parents seeking to provide their children with the best possible care. This is a striking instance of the "capitalization of hope," in which value is based on fictional expectations of an uncertain future. "The biomedical imaginary refers to the speculative, propositional fabric of medical thought, the generally disavowed dream work performed by biomedical theory and innovation . . . the fictitious, the connotative . . . desire" (Waldby 2002, quoted in Martin, Brown, and Turner 2008: 128). In a similar vein, direct-to-consumer genetic testing provides "customers" with personalized genetic reports containing information about the possible genetic risks they carry. Although its practitioners present their service as a medical, not a commercial one, their business has located a marketable commodity in people's fears about their future health (Almeling 2014).

The purchase of old wines, and, more generally, the purchase of antiques, are examples of how objects allow their owners to transcend time toward the past. Owning such objects creates a symbolic connection to the cultural or political values of specific periods or historic people. Marie-France Garcia (2011) offers a particularly illuminating example, quoting from a book written by a collector of fine wines. The collector, François Audouze, describes the experience of drinking aged wine: "The oldest red wine I have drunk was an 1811 Chambertin. Imagine what this evokes: you're at the height of the Napoleonic era, this becomes a heavy symbol, and moreover, it's the year of Halley's Comet, which isn't even yet called Halley's Comet. To have a comet in your cup, that's straight from the history books!"

(Audouze, 2004, cited in Garcia-Parpet 2011: 140). The value of the—very expensive—bottle of wine Audouze consumed comes from the year it was produced, not just from its rarity, and certainly not from its taste. The wine creates an imaginary bridge to events that took place long ago, connecting the person who consumes it to a distant time. Its power to evoke Napoleon's rule and the passing of Halley's Comet confer a kind of sacredness on the product.

Elena Bogdanova (2013) offers other examples of associations with the past in her research on Russian antiques markets, where vendors create value by telling stories about the provenance of antique pieces. Auction house catalogues contain highly evocative information associating objects with historically important individuals and events. An especially graphic example is from a 2011 Sotheby's catalogue concerning the auction of a table by Gioacchino Barberi from the early nineteenth century. It is a painstaking description of the table, the historical circumstances under which it was produced, and its provenance. The analysis by a team of art historians comes to the conclusion "that the original, intended owner of this table could only have been Nicholas I, Emperor of Russia from 1825–1855" (Sotheby's 2011). The value of the table is not only justified by the craftsmanship of its creator but also by its association with the Russian czar and the historical event of the Russo-Turkish War of 1828–1829. The table, estimated at \$400,000–\$600,000, sold for close to \$2 million.

Products that are marketed based on their geographic origin reveal the spatial dimension of the imaginative value of goods. These products are valued because they connote a specific place, evoking images of proximity that allow the consumer to imagine himself in a specific environment or participating in a particular way of life. The French AOC label, for example, ties products to images of locality and tradition. These images and narratives provide value that can be used to market products and regions and thus constitute the "cultural wealth of nations" (Bandelj and Wherry 2011). Symbolically charged products allow their consumers to transcend place in the same way they do time, thereby connecting them to the ideals they associate with that particular location.¹²

The "contact charisma" of certain objects reveals the social dimension of fictional expectations about consumer goods. When a handbag is carried by an idealized celebrity such as Madonna, it becomes "infected" with her charisma. The desire for the same handbag is motivated by its capacity to create a link to the idealized person, a way of partaking in her identity. The

singer's aura is transferred to the handbag's purchaser, and becomes a symbolic quality that creates value in its own right.¹³ The parallel to religious phenomena is very direct here, since value is created in the same way that sacredness is conferred on any object that comes into contact with a prophet (Durkheim [1912] 1965: 254). The handbag becomes a relic: something touched and carried by the idealized person, a symbolic representation of their charismatic power.

The transcendent qualities of goods may finally also create symbolic associations to the values their owners espouse. Fair trade products, for example, connect purchasers to a geographically and socially distant world, allowing them to imagine they are "doing good" for people far away. The additional value of these products lies not in their physical qualities but rather in the opportunity they offer consumers to put their value convictions into practice by purchasing them. Whale watching is another such example (Lawrence and Phillips 2004): to a contemporary of Herman Melville, paying money to board a ship for the sole purpose of observing whales swimming in the ocean would have seemed an act of utter madness. But symbolic connotations of whales have changed since his time, and whales are now seen as representing freedom and untrammelled nature rather than as frightening wild creatures. The cultural shift from "Moby Dick" to "Free Willy" has made it possible for whale watching to be commercialized. Its value stems from contemporary Western culture's symbolic associations with whales.

As the examples cited above show, the imaginary performance of goods has a transcending quality to it: it offers access to past historical events, distant regions, unreachable social positions, or aesthetic or moral values by making the object a symbolic representation of something that is otherwise intangible. A recent and particularly striking example of the power of this magic was a blind test of the sound qualities of Stradivari violins. Although these violins are considered the best in the music world, the test showed that professional violinists could not distinguish the sound of a Stradivari from that of a new violin (Fritz et al. 2012). The fact that a Stradivari sells for several million euros when a new violin of superior quality may be purchased for a few thousand cannot be explained by the former's superior physical value (its sound, in other words). Rather, the Stradivari's value is driven up by its aura, which is generated in the discursive communities of the music world.

It would be a mistake, however, to describe the symbolic value of goods as purely illusory. As discussed in Chapter 4, imagining future states of the

world can provoke sensations similar to those associated with the actual experience of them. In their role as material representations of otherwise abstract or distant events, values, and ideals, goods offer a way to mentally experience something that is desired, similar to what is experienced by readers of fiction. As may be seen in the discussion of consumer goods above, this is true not only of future states—as is the case with investments—but of the past and of socially and geographically distant places, connecting consumers with the transcendent through what Kendall Walton (1990) calls “quasi emotions.” Sipping an 1811 Chambertin allows the drinker to feel as if he is actually experiencing that era. Holding a lottery ticket summons fantasies of being rich, triggering emotions that make the experience of wealth mentally accessible in the present. “Consumers entertain dreams of yet unacquired products and experiences for purposes of anticipatory consumption and purchase prioritization, as well as for speculation and intrinsic enjoyment of the experience” (Fournier and Guiry 1993: 357).¹⁴ Symbolically charged objects are more than just representations of desired events, values, or ideals: because they allow their purchasers to participate in the reality they are perceived to represent, they are an essential part of that reality (see Tillich 1986: 5). These imaginaries incite consumers to purchase symbolically charged consumer goods.

GOODS AS TOTEMS

The work of Emile Durkheim is particularly helpful to understanding how expectations are derived from symbolic meanings. From this perspective, the consumer’s attraction to goods is not merely a hedonistic urge whose psychological cause may be located “in a desire for the pleasure which it brings” (C. Campbell 1987: 80). Rather, it may be interpreted as a specific form of orientation toward the realization of shared values and as confirmation of membership in a moral community. This follows Durkheim’s intuition that secularization does not imply the extinction of the sacred in society, but instead leads to the emergence of secular forms of the sacred. While Durkheim demonstrated this social transformation primarily with regard to the expansion of rights granted to the individual (Joas 2000), it also provides a model to analyze the imaginaries associated with consumption of goods in the economy (see Belk, Wallendorf, and Sherry 1989). Again, this indicates a parallel between contemporary capitalism and religious classifications.

Durkheim's central insight in his sociology of religion is that the moral influence of a society over its members is not based primarily on felt obligations and fear of sanctions, but on a positive binding of clan members to its values. In other words, people feel attracted to religious regulations (Durkheim [1912] 1965: 240–41). The notion of attraction is crucial because exchange is voluntary, meaning that demand for goods will only exist if the goods have a positive appeal, that is, if they provoke a desire to own them.

Durkheim uses this insight to explore the origins of the attraction to social values, investigating the ritualistic practices of Australian clans and the role of sacred objects in these practices, starting with the observation that the world of tribal society is strictly divided into two spheres, the sacred and the profane. Objects that symbolically represent the clan—its totems—are separated from other objects through a strict set of rules on how to engage with them, which are based on belief in the power—or *mana*—of these objects. As discussed earlier on in this book, the power of the totem is not inherent in the object itself, but attributed to it by the believers. Durkheim insists, however, that the power emanating from these sacred objects and felt by the clan members is not purely illusory, but may be seen as the power of the moral community of the clan ([1912] 1965: 236). The symbolic qualities of sacred objects are “imaginative bridges to the transcendental” (Tappenbeck 1999: 50), in which the moral community finds a collective representation.

The human capacity Durkheim identifies at the core of religious beliefs is the same one present in the fictional expectations identified by this book, that of attributing qualities to objects that exist only in the imagination and have no objective material correlate in the objects themselves. “Collective representations very frequently attribute to the things to which they are attached qualities which do not exist under any form or to any degree” (Durkheim [1912] 1965: 259–60).

Though fictitious, qualities symbolically represented in an object are experienced as if they were real. An object's fictitious qualities are not determined by the objects themselves, nor by the brain's neurological structures. This does not, however, imply that they are arbitrary: they emerge from cultural and social worlds of the community; the imaginative attributes of an object only have “power” to the extent that they are perceived collectively by a social group (Durkheim [1912] 1965: 238). By the same token, the positional and imaginative value of goods, though individually experienced, is a social phenomenon. Sociologists of consumption concur: “Our

taste for luxuries, for goods beyond our conventional buying power, is not simply greed, not only self-indulgence. It is also attributable to our need, as groups and as individuals, to re-establish access to the ideals we have displaced to distant locations in time or space” (McCracken 1988: 116).

The capacity to attribute qualities to things that exist only in the imagination forms the bedrock of the symbolic value of goods in the economy, making positional and imaginative value possible. First, a product’s power to position its owner in the social space may be seen as an instance of the totemic power identified by Durkheim: actors are recognized in a specific way by associating with specific objects. Goods bestow identities and signal membership in a social group much as totems do for clan members. Consequently, a change in consumption patterns also leads to a change in social identity. A person is categorized based on classifications of the objects he consumes. In this way objects exercise power over individuals.¹⁵ If a (potential) owner desires the social identity associated with the good, the good exercises an attraction independent from its physical performance, based purely on its symbolic meanings.

Second, collective symbolic representations in objects also help constitute imaginative value. Just as a totem is the symbolic representation of a clan’s moral rules (values), goods can become symbolic representations of a moral community’s secular values. Durkheim ([1912] 1965: 251) offers the example of a flag, which is a material representation of a nation that is revered (or valued, for the purposes of this discussion) as a symbol of that nation’s values. In this sense it is a sacred object: it both represents a moral community and is the community. As Durkheim observes, this phenomenon causes soldiers to risk their lives to defend flags, which, in purely material terms, are nothing more than fungible bits of fabric (251–52).¹⁶

Durkheim’s analogy between religious phenomena and military or political actions can be extended to the valuation of material goods exchanged in markets, provided we show that the sacred can also be symbolically represented in commodities and can serve as a “bridge” to the transcendental. Just as a totem stands for the moral community of the clan and a flag stands for the nation, a bottle of wine can symbolize a cherished historical event to which it links its purchaser. This connection presupposes the exercise of the imagination, because the object and its meaning are discontinuous: their unity exists only as a mental construction (Tappenbeck 1999: 104).

Objects can be inscribed with meanings that conjure up mental images. In the case of religious symbols, these meanings remind the believer of the

force of the community, while in the case of the consumer, they allow for an association with intangible ideals. Symbolic meaning transforms an object into an intermediary, provoking sensations in its owner that connect him to his ideals. The object becomes “the medium through which the ideal becomes capable to be understood” (Durkheim [1911] 1974: 96). This magical power of objects is a source of attraction because it provides the experience of pleasurable or even intoxicating sensations.¹⁷ At the same time it is a form of “doubling of reality” and creates fictional expectations in the sense of a belief in something that is semiotically added to the object.

The Role of Practices

Though an objective part of reality, the symbolic meanings that constitute the positional and imaginary value of goods are not material qualities, which raises the question of how these transcendent qualities become attached to the objects that represent them. Answering this question requires special attention to practices in the market field (Warde 2005). In general terms, a good’s meaning is constituted through the marketing activities of firms, socialization, repeated interaction with the good, and participation in group activities (Richins 1994).

Here again, Durkheim’s work on ritualistic religious and secular practices is illuminating. Durkheim observed that social life in tribal communities could be divided into periods of everyday activity and periods of ritualistic festivity, during which a clan’s members would assemble. Ritualistic festivities would usually take place in physical proximity to the clan’s totem. The passion and exaltation experienced through dance, music, fires, the darkness of the night, and the use of drugs would provoke a collective effervescence in which clan members experienced a state in which they transcended their own consciousness. Since the totem was the center of these festivities, clan members attributed this experience of self-transcendence to the power of the totem (Durkheim [1912] 1965: 252).

It is possible to observe similar—albeit less dramatic—phenomena in consumers’ relationships to consumer goods in contemporary economies. The positive aura surrounding an object associated with a charismatic celebrity such as Madonna may derive from experiences of collective effervescence at, for example, her concerts. The transcendent power of such “extraordinary” experiences may also be associated with places, as would be the case with a regional product that evokes treasured memories of a

place where one has lived or vacationed. Particularly large lottery jackpots often lead to mass public excitement that resembles the intoxication Durkheim describes and increases demand for tickets. New car models and consumer electronics are presented to the public in theatrical performances at fairs that are similar in many respects to the ritualistic practices Durkheim describes. The late Steve Jobs could easily have been confused for a guru or religious leader, right down to his clothing choices. As Alfred Marshall has pointed out, these are all instances of practices generating wants, rather than wants generating products ([1920] 1961).

Durkheim mentions a second practice necessary to keep the *mana* of religious symbols alive: the passions created in moments of collective effervescence lose their impact on individual clan members over time. To avoid this deterioration, religious groups and political movements regularly assemble their members in meetings to revitalize communal values and beliefs (Durkheim [1911] 1974: 92; [1912] 1965: 240). Church services and party conventions both bring together communities of believers and use ritualistic practices to remind them to cherish the values of the community.

Similar connections between the stabilization of goods' symbolic value and group practices can be observed in markets. Markets in which the symbolic value of products plays an important role typically have a social organization that fosters communication among consumers and experts in the field. In the art market, for example, galleries host openings at the beginnings of shows that bring together potential buyers, the seller, the artist, other artists, and art experts in a ritualistic affirmation of the quality of the objects to be sold. Museums and art critics participate in the art world's discursive community, helping to reaffirm the value of an artist and setting standards for the assessment of quality through communicative practices (H. S. Becker 1982; Beckert and Rössel 2013; Velthuis 2005). In the lottery market, syndicate play leads to higher participation rates (Garvía 2007). In the car market, the symbolic value of a car is established and reaffirmed through advertisements and car magazines, visits to car dealerships, car races, and private communications among lay "believers" who have faith in the qualities of the object. Post-sale advertising then reminds customers of the transcendent qualities of their cars, shielding them from the danger of disillusionment. Vintage car owners form clubs and assemble in ritualistic club meetings to admire the old cars they possess, thereby reconfirming their value. Consumer electronics firms—Apple is probably the most prominent example—organize the release of new products by creating scarcities

that bring the most dedicated customers together to wait (sometimes overnight) to be among the first to buy the product once stores open, creating a group experience of like-minded people. Group experiences can also be organized virtually, leading to para-social interaction, the illusion of face-to-face interaction through mass media (Horton and Wohl 1956). Nespresso, for instance, seeks to create an “imagined community” among purchasers of its beverage machines by making them members of a “Nespresso Club,” which includes a subscription to a magazine with regular updates about the product and its users. Magazine ads and television commercials remind potential customers of the symbolic qualities of products being advertised, which would otherwise fade from consumer consciousness.¹⁸ In the terms used by Kendall Walton (1990) in his make-believe theory, advertisements can generally be understood as props that spark imaginative games that constitute or reinforce the symbolic value of commodities.

Imaginative value is fragile and requires constant reaffirmation through communicative practices to be maintained. As Hirschman (1986) observed in his analysis of the utopian element experienced in idealistic political practices (see Chapter 4), the value an actor assigns to an object will increase with the intensity of his personal engagement with that object. To a person ignorant about wine (or about history), an 1811 Chambertin might have no specific significance and therefore evoke no specific imagined future. Only an aficionado or an expert deeply committed to the product and engaged in the communicative processes of wine appreciation may perceive its symbolically intoxicating quality. And even among such people, this intoxication must be constantly revitalized through social practices that reaffirm the wine’s symbolic “content.”

THE DYNAMICS OF SYMBOLIC VALUE

The observation that fictional expectations regarding the performance of consumer goods must be established and maintained raises the question of why they fluctuate. Innovations that change a product’s physical qualities or add new and superior functions may render other products obsolete. In this context, changes in value are easy to understand. But the symbolic value of goods changes too. Why can’t their meaning, once established, remain constant? Durkheim’s sociology of religion is not useful to understand changes in symbolic value, since, as he observes, religious symbols remain stable over time: “While the generations change, [the totemic emblem]

remains the same; it is the permanent element of the social life” ([1912] 1965: 252). Although the significance and meaning of specific sacred objects in monotheistic religions has changed over the course of history and may remain theologically contested, religions do not continuously change their sacred objects.

Consumer goods in capitalist economies, by contrast, exist in a constant cycle of valuation and devaluation. This is not an ephemeral difference between consumer goods and religious objects: without this flux, capitalist growth would not be possible. As the products already owned by consumers lose value, new sales opportunities are created. Aside from products that are used up in the consumption process, space for new products emerges mainly as products that have already been purchased are devalued and discarded. This open space may then be occupied by new products associated with symbolic qualities that create desires to purchase them. To understand the micro-foundations of capitalist dynamics on the demand side, it is necessary to identify the mechanisms underlying the devaluation of consumption goods.

Three such mechanisms should be discussed here, for which fictional expectations about future states of the world are crucial in motivating actors to engage in behaviors that preserve or intensify the capitalist economy’s momentum. The first mechanism operates on the logic of differentiation described by Georg Simmel ([1904] 1971), and is connected to the positional value of goods. If the purpose of consumption is to signal social status, then goods lose value once they become available outside a defined social group and diffuse into the mainstream. As a result, new objects must constantly be defined as symbolic representations of distinction, a mechanism expressed in continuous processes of valuation and devaluation, whose effects Georg Simmel described using fashion as an example. As members of the lower classes imitate the fashions worn by members of the upper classes, that attire is devalued, forcing the upper classes to change fashions in order to retain their mark of social distinction. The possibility of such a dynamic is a distinctive trait of modern societies, as in traditional societies sumptuary laws dictated what clothes were to be worn by different social groups, effectively ruling out the possibility of devaluation through mimicry. As early as the nineteenth century, Tocqueville described how detraditionalization processes were opening an imaginary horizon through which “people begin to hope for material things that they never could have hoped for in the old class society” (Swedberg 2007: 10). Again, this points to the social anchoring of fictional expectations.¹⁹

The second mechanism has been called the “Diderot effect” after a story by the French philosopher in which he describes receiving a dressing gown as a gift, which drove him to change his home’s décor to match his new garment, one object at a time (McCracken 1988). Each time, in the narrator’s imaginary, a new object promised to eliminate the painful discrepancy between his current belongings and the ideal established by the dressing gown. Consumers experience this effect when they feel compelled to make a purchase they perceive as advancing them toward an overall ideal or impression. Purchasing a new object may thus devalue other objects, and foster a desire to substitute them for new ones (Deutschmann 2014; McCracken 1988: 120).

The third mechanism is connected to the process of appropriation itself, which leads to the devaluation of the acquired object. This process is rooted in Georg Simmel’s understanding of fictional expectations as a means of mentally inhabiting future states of the world. The imaginary expresses a distance between subject and object which at the same time creates the value of the object: “Only the repulsions that we experience, the difficulties of attaining an object, the waiting and the labor that stand between a wish and its fulfillment, drive the Ego and the object apart; otherwise they remain undeveloped and undifferentiated in the propinquity of need and satisfaction” (Simmel [1907] 1978: 71–72). The object cannot, however, be too far removed from a person’s actual purchasing possibilities: “The distance between the self and the object of demand could become so large—through the difficulties of procuring it, through its exorbitant price, through moral or other misgivings that counter the striving after it—that the act of volition does not develop, and the desire is extinguished or becomes only a vague wish” (Simmel [1907] 1978: 72).

Consumer credit (see Chapter 5) is a possible means to close this gap. Desired products that are unattainable due to the current purchasing power of the consumer can be brought within reach by credit. Consumer credit can turn vague wishes into actual desires that materialize in demand by bringing future purchasing power into the present. The financialization of consumption thus adds another layer of future orientation to it. In sociological terms, status inconsistency deriving from a sense of falling behind consumption standards set by the relevant peer group is counteracted by consumer credit that allows consumers to “catch up.”²⁰ For this to occur, consumers must feel attracted to higher consumption levels and financial institutions must develop the technologies of risk calculation that make consumer lending a profitable business. If this is achieved, it creates an alignment of interests among businesses seeking to sell their products, consumers seeking to “keep

up,” and the financial industry wanting to sell credit. Credit makes the expansion of consumption possible, as consumer demand makes the consumer credit industry possible.

Studies show that consumers value products that do not yet exist, simply because of their expectations of future satisfaction (see Dahlén 2013). Companies recognize the future orientation of consumer desires and exploit it profitably in marketing campaigns, creating expectations by, for example, announcing the introduction of new technological devices. Marketing is mostly a technology of imagination applied to create expectations that lead to purchases. Again, in recent years, Apple has probably succeeded the most in deploying marketing campaigns that create fictional expectations regarding future consumption opportunities. The film industry uses this technique to great effect as well, creating expectation-based desires by releasing film trailers, sometimes more than a year in advance of the actual film. Products appear especially attractive to consumers when their exact features are still unknown and the openness of the future can be filled by their imaginaries.

At the same time the expectations of consumers are often disappointed once they are confronted with actually purchased products. The value of the product is higher in imagination than when it is actually experienced. This has to do with the nature of value. “We desire objects . . . in terms of [their] distance as something not-yet-enjoyed, the subjective aspect of this condition being desire. . . . The object thus formed, which is characterized by its separation from the subject, who at the same time establishes it and seeks to overcome it by his desire, is for us a value” (Simmel [1907] 1978: 66).

Similarly, outside of economic processes, John Dewey analyzes desire as emerging from obstacles to the action process. Without such obstacles, “there is nothing which we call desire” (Dewey [1922] 1957: 249). If value comes from desiring an object that is not yet possessed, and whose nonpossession is a kind of obstacle, it follows that purchasing and enjoying the object will also devalue it: “The moment of enjoyment itself, when the separation of subject and object is effaced, consumes the value. Value is only reinstated as contrast, as an object separated from the subject. Such trivial experiences as that we appreciate the value of our possessions only after we have lost them” (Simmel [1907] 1978: 66).

Disillusionment

In economics, the idea of devaluation through appropriation has been taken up by Albert Hirschman (1982) and Micael Dahlén (2013). In the sociology

of consumption, Colin Campbell (1987)—contrary to Simmel—argues that devaluation does not arise from a loss of distance between subject and object, but rather from the discrepancy between the object's imagined perfection before it is owned and the imperfections that become visible once it is in the owner's possession. "Since reality can never provide the perfected pleasures encountered in day-dreams . . . each purchase leads to literal disillusionment, something which explains why wanting is extinguished so quickly" (C. Campbell 1987: 90). Closing the distance between owner and object itself does not produce disillusionment, but closing the distance between the object and the imaginary does (see also Hirschman 1982: 631–32).

Simmel and Campbell are both correct in their assessment of the process of disillusionment associated with the appropriation of goods, but the causes for this disillusionment can be described more precisely by comparing economic goods to totemic objects once again. The pivotal difference between the two may be found in their relationship to the sacred. Goods sold in the market hold the promise that possessing them will give the possessor access to the dimensions these goods symbolically represent. A (potential) purchaser sees the object as embodying the transcendent, which can be appropriated through the purchase. This reifying illusion both constitutes the object's attraction as a commodity and is the source of its devaluation once it is actually possessed.

This stands in contrast to religious symbols: because religious ideals are always physically unattainable, they maintain their distance from the faithful. Proximity to a totem thus allows a follower to achieve spiritual closeness to the sacred, while in no way being taken as a realization or appropriation of the religious ideals it embodies. The significance of religious objects is limited to representation; their possession serves only to remind community members of the values the community stands for and of their membership in it. This difference is visible in the way access to sacred objects is strictly regulated and even restricted. Followers may not be allowed to touch or even to see a totem outside specific dates in the religious calendar.

There are no such restrictions on secular goods, which are distanced from the consumer only until they have been purchased. The sacrifice made with the purchase allows the object to be appropriated and used, or carried into the world of the profane, to return to religious terminology. Possession reduces a consumer object's imaginative value, as it "is now an incipient part of the 'here and now' and to this extent vulnerable to contradiction" (McCracken 1988: 112). While the object appears to be part of the transcen-

dental quality it represents, this is logically and empirically impossible, a realization that is experienced once the object has been purchased and appropriated: this kind of disillusionment is specific to commodities.

If a purchaser is to be persuaded to pay for a commodity, he must have the expectation that its transcendental qualities can be appropriated with the purchase. But this fictional expectation is at the root of the disillusionment that follows: as soon as the object comes into his possession, the imaginative space in which it existed shrinks, and the purchaser attains only its immanent (profane) qualities. After it has been drunk, the 1811 Chambertin becomes nothing but a wine—and a presumably bad one at that. Indeed, this is the limit of the reification of values in commodities and also an entry point of political resistance against the commodification of imaginaries. In the words of a French advocacy group: “*Le rêve ne s’achète pas*” [The dream cannot be bought] (*Métro*, October 19, 2012, p. 8). Such resistances, if successful in demystifying the symbolic meanings of consumer goods, are in effect undermining the growth of capitalism by reducing the motivation to buy products whose value rests mostly on imaginaries.

As described in the previous section, the producers of consumer goods try to reduce and defer this disappointment by reconfirming the transcendental qualities of the good, generally through post-sale communications. Consumers can also postpone disillusionment by postponing their consumption of a good (not drinking the 1811 Chambertin, for example) or by restricting their use of it (wearing a new suit only for special occasions) to keep it within the realm of the sacred.²¹

This process of disappointment and devaluation is specific to consumer goods. Fictional expectations relating to investment in plants and equipment, in financial markets, or in human capital may be disappointed, but not at the moment of appropriation. Disappointment occurs over time, if the profit expectations associated with the investment go unfulfilled (see Chapter 6).

The only “purchase” to which the process of disillusionment does not apply at all is the accumulation of money, since money is both devoid of any concrete characteristics and at the same time offers the freedom to buy any good with it (Parsons 1963). In a way, it is the most perfect material representation of an unbound imagined future, in that it withstands the disillusionment of appropriation. The only threat to the imaginative force of money is its devaluation (see Chapter 5). One can see the special attraction of money

in this duality: having no concrete qualities itself, money still allows for the potential to obtain any quality desired. Money cannot be contradicted by experience, because money is an abstraction (Deutschmann 2009; Parsons 1963; Simmel [1907] 1978). At the same time, it makes the question of why actors purchase “unnecessary” consumer goods even more puzzling, since the value of any specific consumer good must be higher than the perceived value of the money not spent (Ullrich 2006: 59ff.).

THE POLITICS OF EXPECTATIONS

The limits of the representation of time, space, position, and values in goods described above drive the dynamics of symbolic value, opening a path to understanding a central mechanism of capitalist dynamics on the microlevel. Once a consumer has been disillusioned with regard to the symbolic qualities of a specific good, imaginaries must be projected onto new objects. Future possibilities direct desire. However disappointed a purchaser may be with the promised value of an object once the object has been purchased, that promise remains in other objects she does not yet possess. Once goods are appropriated, “the individual must swiftly transfer [or] ‘bridge’ status from the purchased object to one that is not now owned” (McCracken 1988: 115). This specifically human vulnerability would appear to stem from our ability to create fiction, as well as from our “need for fiction” (Iser 1993).²² In an economic system that depends on consumers’ willingness to desire more and newer products, human fictionability is the source of the demand for products that are “relative” in Keynes’s sense of the word ([1931] 1972). In advanced economies, this is an ever more important source of economic growth, and it remains for most of us a source of motivation, even if products, once consumed, do not lead to heightened levels of satisfaction (Frank 1999: 64ff.). The paradoxical conclusion may be that it is “absolutely essential for us never to receive what it is we want” (McCracken 1988: 116).

Here, the supply side of production comes together with the demand side. Producers depend on the marketability of their products and therefore invest in associating their products with consumers’ ideals, attempting to shape what consumers value and then communicate those values through advertisements and other marketing activities in association with their products. As André Orléan (2014: 104) writes, “No better description of the contingency of commodity valuation can be imagined: norms of social recognition are created, and then enforced, by persons who are able to make others wish for

what they wish them to wish for.” The advertising industry was created for this purpose: it can be described as an instrument for the creation of fictional expectations. Over the course of the twentieth century, firms have made increasingly intensive efforts to manufacture consumer dreams. The sale of their products depends on these dreams, which are therefore an indispensable productive force within capitalism. Inciting consumers to identify with the created imaginary qualities of goods instrumentalizes the archaic mechanisms of totemistic identification.

The identification with imaginary value is a necessarily dynamic process for two reasons. First, as discussed above, the unrelenting disappointments that follow the purchase of goods create a continuous renewal of demand for new products. This occurs through a shift in imaginative associations that Durkheim argues is possible because symbolic qualities can, in principle, be attached to any object. Second, competing producers contest the attribution of symbolic value attributed to products, vying to create fictional expectations that induce consumers to choose their products over those of their competitors (Callon, Méadel, and Rabearisoa 2002). Firms expend enormous effort and funds to create, maintain, and shift goods’ symbolic qualities, and to convince customers of their performance. These efforts have created a vast industry as the marketing departments of firms and firms specializing in marketing services strive to shape consumers’ expectations (Dubuisson-Quellier 2013). The mass media also plays a central role in the creation of symbolic qualities of goods by disseminating lifestyles and associating them with consumer products.

This politics of expectations also takes place through “judgment devices” (Karpik 2010) produced and applied not only by firms but also by state regulation and the many intermediaries active in the economic field. Classification systems, critics, guidebooks, product rankings, product tests, opinion leaders, certificates of authenticity, and fair-trade labels are all used to shape consumer expectations about goods’ functional and symbolic qualities. Furthermore, consumers themselves contribute to the dynamics of changing value with their constantly revised definitions of what is “in” and what is “out.” The wants that help create demand and economic growth exist because of the fictional expectations created as actors emit and receive communications about the qualities of the goods. Because they are not based on a product’s material qualities but on communicatively constructed meanings that are created and shifted by powerful market actors, the expectations that constitute the symbolic value of goods are contingent

and fragile. If value is created through the contingent definitions of the performance of goods, then economic growth cannot be understood as based on “the necessities of life” (Smith [1776] 1976: 368): it must be seen as a social and cultural process through which meaning is constructed. This meaning is particularly relevant to the dynamics of capitalism, for capitalism “is the world of make-believe in which one lives for expectations, for what will come rather than what is” (Bell [1976] 1978: 70).

CONCLUSION

Investigations of the economy in the field of political economy have focused primarily on the supply side of markets. Market sociology, too, places much more emphasis on firms and their coordination in competition than it does on the demand side. This productionist bias fails to offer a comprehensive account of contemporary economies in which there is a dependency on consumption but where many consumer needs have already been satisfied and consumers’ motivation to buy products cannot be taken for granted. If markets are to function and the dynamics of capitalism are to continue, consumers must value the products on offer and be willing to make sacrifices in order to possess them. What are the origins of this willingness? Distinguishing among the physical, positional, and imaginative value of goods helps to explain the different sources of value for consumer goods in the economy.

Durkheim’s sociology of religion, read here as a sociology of valuation, provides important insights into the construction of fictional expectations in consumption: his claim that totem emblems are respected as the symbolic representation of a social group’s values can be transposed to the valuation of secular goods in contemporary capitalism. While the role of imaginative value has been investigated in studies of consumption (C. Campbell 1987; McCracken 1988; d’Astous and Deschênes 2005; Ullrich 2006), these studies are often limited in their focus on the psychological desire for newness or other individual traits to explain imaginative value (d’Astous and Deschênes 2005). On the contrary, the imaginative performance of goods comes from the way values and ideals are attributed to them. These ideals may be aesthetic or normative, relating to distant times and places; either way, their symbolic representation in consumer objects is a social construction.

In light of this claim, markets can no longer be seen as expressing unbounded individualism. In modern economies, as the basis of valuation

shifts increasingly to goods' positional and imaginative performances, demand must instead be understood as a part of the cultural fabric of society. This corresponds to claims of scholars of consumption that we are currently witnessing the "moralization" (Stehr 2007) and "aesthetization" (Rössel 2007) of markets. Furthermore, the increasing importance of positional and imaginative value is evidence in the economic sphere that supports Emile Durkheim's claim that processes of secularization do not lead to the elimination of the sacred, but rather to the emergence of secularized forms of it. In modern societies, values are also expressed through consumption practices, which requires fictional expectations. Rather than an object's sacredness becoming contaminated when the object is brought into the sphere of market exchange, the symbolically charged goods become representations of value—not just in the economic sense, but also in the moral sense of the term (Fourcade 2009; Zelizer 2004).

Emile Durkheim's social theory may also be used to conceptualize the social practices through which goods become charged with fictional expectations, and through which actors in the field attempt to maintain (or destroy) these expectations. Experiences of collective effervescence are one source of expectations, and communications among consumers, experts, producers, and critics are meant to keep them alive and shield them from the disappointment that sets in once a product is actually possessed. Indeed, an entire industry has developed to market products, and in conjunction with mass media, shapes the symbolic meaning of consumer goods. The communicative practices surrounding the construction of imaginative value are part of sociation (*Vergesellschaftung*) and thus part of the fabric of society. At the same time, there is a utopian element to the mental representation of intangible ideals in objects and the striving to realize these ideals through their purchase. Understanding this helps advance our comprehension of economic dynamics far beyond the sphere of consumption. Investment decisions, as discussed in Chapter 6, are characterized by a very similar form of striving for a utopian state (Schumpeter [1912] 2006: 164ff.). Charging products with imaginative value requires manipulation and reifies actors' desires to "appropriate" transcendent values, but it also promises imaginative salvation by providing access to intangible ideals. Because of the mechanisms described above, this salvation is never fully achieved. But producers' needs to sell their products correspond to consumers' aspirations to find symbolic representations of their transcending desires, and the manner in which they do so shows the significant contribution fictional

expectations can make to the system integration of the economy and the social integration of actors.

The final part of this book continues to investigate fictional expectations, but on a more abstract level by discussing the instruments used to create them. The term “instruments” is used to describe the cognitive technologies through which social reality is perceived. These technologies help to create imaginaries of the future and give rise to specific interpretations of the causal relations leading to this future. The instruments of imagination contribute to constituting reality as they interpret it, and thus play a role in the way decisions are made and social interactions are coordinated. They shape the present by providing descriptions of possible futures, which in turn can guide decisions and thus shape future outcomes. In this sense, the instruments of imagination are influential: they are crystal balls creating present futures that provide justifications for decisions.

In economic sociology, and in the sociology of finance in particular, the role of cognitive instruments in the operation of the economy has been the subject of a great deal of work. Mathematical formulas are central to the sociology of finance (MacKenzie and Millo 2003; MacKenzie 2011), as are technological apparatuses (Knorr Cetina and Bruegger 2002; Preda 2006) that guide calculations and communications and thus influence market outcomes. This interest has also recently expanded beyond financial markets (Muniesa 2014). The following chapters discuss forecasts and economic theories. They build on crucial insights from the sociology of finance, while focusing on expectation building. Forecasts and economic theories are part of the cognitive infrastructure underlying capitalist dynamics. They provide cognitive support for risky decisions by creating convictions of certain future developments, and support innovations by producing imaginaries of new possibilities. At the same time, because they influence expectations, forecasts and theories are also instruments of power and governance.²³