

Charles University in Prague Faculty of Humanities

BACHELOR THESIS

SOCIAL MARKERS OF CONSUMPTION IN THE 21ST CENTURY

by

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DECLARATION				
I hereby declare that no portion of the work referred to in this thesis has been submitted in support of an application of another degree, or qualification thereof, or for any other university or institute of learning.				
I declare that this thesis is my own independent work. All sources and literature are cited and included.				
In Prague 25 th June 2015 signature:				
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ABSTRACT

The specific social markers are explored as patterns and trends of consumption in the modern century based on a background from Robert Frank's "Darwin Economy" and Thorstein Veblen's book 'The Theory of the Leisure Class". Specifically exploring how consumption can be a display of inequality and position in the social strata, the thesis will analyse Frank's and Veblen's theories on positional goods and conspicuous leisure and consumption and relate them to psychological aspects of the specific behaviour of the modernday wealthy citizens. House size, land, leisure activities, expensive fashion and tourism are examples of social status markers that citizens utilize to demonstrate or keep up with social status. It is of importance to understand the psychology behind the consumer's behaviour rooted in time and how the commodities and material wealth shape their respective attitudes towards the conception of consumerism. Although the topic is relevant for development in all societies the thesis will concentrate on developed Western countries in the first place. By looking more profoundly into the nature of status of social markers from the past and those observable today, we can turn our attention to how well and how justifiably the Western consumerist society fulfils some of our basic and evolutionarily-created human needs.

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Introduction

In today's society in which the prevalence of money is an obvious and most crucial agent in the direction of behaviour, it is without a doubt a matter of significant attention to understand at least a small dimension of the effects of capitalism and psychological roots of our inherited modes of conduct. Why does money so often and in the majority of cases constitute our main, if not the only authority to our motives? Has humanity already been under the domination of excess financial means since the archaic times or is the obsession with luxury a recent phenomenon unheard of in the past? From our knowledge in history, people have always been impressed by wealth, and those who possessed the riches were naturally believed to be blessed with additional traits such as honour, respect, power, intelligence and beauty. What is the reason that an association as such should be created and how is it that money brings about the specific codes for conduct?

Status as a social construction shapes specific activities and accepted societal norms that define the quality of life. Human beings aspire to be in a position of high social standing, to be acknowledged and respected within their sphere of acquaintance. In history such an aspiration was strongly limited to the boundaries of class belonging, this means that class ascending was extremely rigid and there prevailed a concrete social hierarchy. In a world of today, there is still without a doubt a concept of a social stratum, however the boundaries are more ambiguous and moving to a higher class is thinkable and acceptable. Gaining education and therefore increasing a chance for working at a highly paid job can generate this movement. Nevertheless, chance and luck, being at the right place at the right time, also play a significant role. Although a person can be at the right place every day, but if they do not posses the knowledge and skill to outmanoeuvre the conditions for their own benefit – luck will hardly play a role in their path to financial success.

Techniques that uphold an individual's or a family's place in the higher-class or techniques that the lower classes have to continuously strive for in order to signify repute have to do with consumption and leisure. Material items were and are inescapable in the consumerist society we are living in today, just as in a society of agriculture in the past. A person is judged in respect to their direct and observable material possessions. We can observe an increasing necessity to buy commodities or services and respectably accumulate financial means. "Hyperconsumerism" is arguably becoming the new religion, in which faith is no longer placed in God, but commodities are the source of values and faith for a good life (Sayers, 2008). 'If we are to define religion as the worldview and beliefs that determine our identity, actions and hope, than hyperconsumerism is the biggest church in town' (Savers, 2008, p.33). Savers further writes about how Europe, UK and America are becoming consumerholics, the increasing numbers of shopping centres and advertisements compel the individual to buy more, faster and better products in an attempt for salvation. Therefore this thesis will respectably bring focus to the contemporary Western societies. Leisure activities such as fashion, tourism and sports were considered virtuous and could be routinely pursued only by the more affluent members of society, today on the other hand, these activities are more widespread. Yesterday's luxuries are becoming today's necessities. Sports is becoming a lifestyle in which attending the gym or playing a sport, supporting a healthy and balanced diet is considered proficient way of life.

These social markers of consumption that communicate a sense of status are of primary interest in the forthcoming part of the thesis. Their peculiarities and causes of existence are explored and compared in history to equivalent markers as stated in Thorstein Veblen's *Theory of the Leisure Class* with the modern-day author Robert Frank's *The Darwin Economy*. Possible psychological theories and speculations that attempt to illustrate an explanation for the existence of the social markers are presented to the reader after becoming acquainted with prior and modern-day markers of status.

In the forthcoming parts of the thesis I will look at some background information on status and social position. After that I will highlight the value

this thesis brings to our contemporary society. Following this section will be a detailed examination of Frank and Veblen's status markers presented neatly in table format. I will attempt to explain and attach possible reasons to why social status is and was a significant part of our culture, why we desire to attain it, how this yearning is reinforced, what accounts for the relationship between status and wealth accumulation and which theories or studies aid our deeper understanding and explanation of the whole concept of social markers. Finally I will talk about implications of contemporary Western-created status markers and consumerism and whether they can legitimately constitute a valuable or rewarding future.

The value this thesis has to bring to the topic is by analysing Veblen's traditional theories of conspicuous consumption and Frank's ideas on positional externalities we can gain a deeper insight into the social markers that existed in the past and those that exist today. We will look at some reasons from the evolutionary point of view that people wish to have a higher status. The thesis will also analyse how the modern-day consumptive society enables us and possibly even encourages us to display a social distinction.

Some literature will be presented and scrutinized in the *first chapter* of the thesis.

In the *second chapter* I will attempt to analyse how and in what ways social status was displayed in the past and how consumption for status is observable in the modern day.

In the *third chapter* I will look at some possible reasons why a superior status is preferred, what are the driving forces and motivations for consumption.

In the *fourth chapter* the discussion will follow on the future of consumerism and whether the appropriation of goods caters to our human values.

In the *fifth chapter* the evaluation will focus on limitations of these social markers, how status symbols and consumerism relate to inequality and additional suggestions for deeper research.

In the final *sixth chapter* final concluding remarks are made based on the research and analysis already conducted in relation to consumption and status.

Part 1: Roots of Status

1.1 Father of 'Conspicuous Consumption'

The Theory of the Leisure Class by Thorstein Veblen originally published in 1899 deals with the manners in which people seek to impress one another and to gain a step above their counterparts through the employment of various creative financial means. These methods of financial surpass may at the beginning seem irrelevant to capital, however by way of the authors scrutiny and examination, the reader grows to become persuaded of the pecuniary canon that governs the particular activity or item. Veblen writes about the inefficient and wasteful use of time and energy that people engage in for the sake of exhibiting a monetary surplus that they posses. Conspicuous consumption is a term that Veblen coins and which stands for the course of actions taken to fabricate this notion of monetary surplus. More specifically, the practices that people engage in for this purpose should consist of "spending money, time and effort quite uselessly in the pleasurable business of inflating the ego" (Chase, 1934, p. vii). The superior class can leisurely overshadow the lower class through excessive expenditure, while the inferior class is left to hopelessly catch up with the desired position on the social ladder, often through diminishing spending on basic human needs in order to appropriate items that come to designate a higher social rank.

The definition of *leisure* in Veblen's use and understanding is *non-productive* consumption of time (Veblen, 1934, p.34). Leisure class believe labour is unworthy of them and they display their distinction via *leisure* to prove their high pecuniary income.

The **emergence of the leisure class**, Veblen argues, took place in the moment of transition from a primitive savagery to barbarism, from a tradition of a peaceful mode to an aggressive and hostile way of life. The prerequisite for this transformation is a compulsory existence of a predatory behaviour and a relative ease of survival. The later is an imperative for the leisure classes'

honourable exemption from labour. Exploit involved in occupations and the discrimination of employments is a convention created by the top members of society. The worthy professions are those that entail an exemption from labour and that profit from others. Veblen links the modern day's industrial and non-industrial employments as an equivalent to barbarian difference in drudgery and exploit (Veblen, 1934, p.9), he adds that the instinct of workmanship prevailed during the primitive culture, however in Veblen's modern age of industry emphasis is laid on self-interest and profit.

Veblen also distinguishes between a predatory, barbarian and quasi-peaceable industry and industrial cultural stages of human development. The predatory culture differed from the quasi-peaceable and industrial in their perception of labour. In the predatory stage the leisure and labour classes differed only in symbolic terms, since the high-rank men contributed substantially to the groups survival through valuable hunting but were not liable for unskilled type of work. Moving towards the industrial stage, the activities of the leisure classes began loosing qualities such as necessity, urgency or productivity.

Veblen believes that wealth and accumulated property is the central expression of repute, while prowess and exploit is a prize of the highest esteem (Veblen, 1934, p.29). The establishment of the industry led to an opportunity for widespread private ownership, whose magnitude serves as a conventional determinant of success. Inherited wealth is an instance of greater honour than earned wealth, since it demonstrates that the owner did not have to be efficient and productive to earn this wealth, thus inherited wealth further distances him from labour. "By a further refinement, wealth acquired passively by transmission from ancestors presently becomes even more honorific than wealth acquired by the possessor's own effort" (Veblen, 1934, p.29). Comfort and security are endlessly sought for in the struggle for accumulation, wherein emulation is the fabricator of the respective items of pecuniary consumption. Accumulated wealth becomes, Veblen suggests, a point for exhibition and a manifestation of *invidious comparison*, a theory that valuates individuals in respect with worth (Veblen, 1934, p.27). This theory states what others'

assumptions and judgements are with regard to a given individuals class position, thus the opinion of the society is crucial and hence there this an unavoidable spectacle to demonstrate pecuniary wealth.

Ultimately Veblen was a pioneer in creating a theory on consumption for status wherein repute and supremacy are sought through the accumulation and then a squander of wealth through leisure activities and luxurious expenditures. What is common among all the mentioned activities of higher-ranking class is that they share a specific trait "the element of waste that is common to both... waste of time and effort... waste of goods" (Veblen, 1934, p.85). The opportunity for this demonstration of waste is itself considered virtuous.

As society develops from a village into a city, the method of using leisure activities to demonstrate status gives way to the consumption of goods. Despite the higher population density, a family in a society of an industrial city is far more remote and isolated than the same family in a village. Unfamiliarity and a lack of knowledge of the neighbours day-to-day business, lest the amount of accumulated savings they posses compels the consumption for goods (over services) as indispensable for self-assertion and self-demonstration. This conspicuous consumption is evident in all types of social classes.

Veblen's theories on conspicuous leisure and consumption are illustrative of the industrial society and are explanatory of how the higher class consume well beyond their subsistence minimum to manifest their superior status above everybody else. Veblen links this behaviour to past peaceable and barbarian societies, attempting to find roots and parallels between the earlier and his contemporary industrial communities. Whilst Robert Frank does not trace a history of status, he presents a solution on financial squander by placing a tax on modern consumption; he argues that the current Western, consumerist mode of life is problematic and excessively wasteful in regards to our savings and natural resources of the planet. Frank denounces Adam Smith as the real father of economics by pointing to flaws in the invisible-hand theory and instead claims that Charles Darwin's theories on group interests in animal species (also plant species) more accurately and correctly describe the modern

market economy. Frank believes that the government has power and influence to alter the present-day orientation towards needles purchase and can procreate a new, more efficient economy with decreased household consumption and increased savings, investments and better economic infrastructure. The following section gives an account of Frank's conclusions and concepts with his modern-day perspectives on consumerism in *The Darwin Economy*.

1.2 The Darwin Economy: Liberty, Competition and the Common Good by Robert Frank

The main topics Frank discusses are those that demonstrate how individual and group interests often diverge, claiming how an individual's relative position in society is important for a reproductive success (Frank, 2011, p.39). This discrepancy in interest often leads to a situation of needless competition similar to that of an arm's race (Frank, 2011, p.25) in the previous century between the Soviet Union and the United states. In Darwin's theory of natural selection, a trait that is advantageous and costly to the individual, but has no absolute benefit for the group is a handicap for the species because it intensifies risks for predation. For the species as a whole this trait is wasteful, but nevertheless natural selection favours it because it escalates reproductive attraction for a mate. The trait will only be valuable if it brings a relative surplus of accumulated resources to the species rather than an absolute wealth for the group.

Frank sees Adam Smith's invisible had in the market as a special case of Darwin's more general theory, the latter takes into account that individual and group interests are distinct and thus do not always search and achieve an identical end. Frank argues that individuals are far from being either rational or driven exclusively by absolute income; we regard gains more favourably than losses and tend to underestimate costs. The fact that context matters for evaluation and that it has an effect for the behaviour in the market is another instance in which Frank challenges Smith's theory on the market. The defence and arms adequacy of one nation is strongly conditioned by the corresponding

size of weaponry of the competing nation and this is the exact point at which Frank disclaims Smith's invisible hand theory and the argument that its' forces naturally lead the market to favourable outcomes for all (Frank, 2011 p.87). One of Frank's central arguments is the idea that context also matters for evaluation and relative position on the market.

In the past, in cases of a famine it was a matter of rank that decided who got fed and who got fed first, the poorest and lowest-ranking in the past and similarly today were always treated with inferiority when the matter came to food, 'the poorest in every group were the most likely to starve' (Frank, 2011 p.41).

Frank provides a clear and logical theory on the desire for relative high status; a genetic variant that would code for this relative advantage would compel the individual to undertake actions that would permit them to instinctively appease their genetic predisposition (Frank, 2011, p.40), guard their status, acquire a mate and cause a further progress and preservation of this gene. Frank insists on the need for market regulation by the government for the common good and that is to protect us from unreasonable and inefficient competition. Human beings see and rate themselves not as individuals in isolation but as interactive beings whose sense of worth is dependent on other's levels of accumulated wealth and the standards of overt expenditure and financial security of the time. In order make us more reproductively attractive, we must see through all available human traits and characteristics and determine which ones will work to foster our superiority. Our ancestors have over the course of history equipped us with a genetically ingrained incentive, with a deep-rooted urge to behave in ways that would allow and best serve the transmission of our genes to our offspring. The impact of culture is unavoidable and makes the theory on this genetic motivation a more complex theory. Since a mate is more reproductively attractive when they have gathered more wealth and supplies than their neighbour, it naturally follows that all mates must care to possess more resources than their neighbour; relative position is therefore key for our genetic motivation for reproduction.

Frank introduces the notion of positional and non-positional externalities. Positional externalities have a high correlation between context and evaluation; this means that they are determined and dependant on contextual factors. The non-positional externalities do not rely on context and function independently of the surrounding environment. An example of a positional good is housing, we tend to want a larger house than our neighbours, and thereby we look at the context and standards to decide what is a suitable house for us. A non-positional type of good would be 'safety standards' since individuals look at the absolute and overall safety standard to determine whether the safety level is acceptable for them. They do not look at or compare what safety precautions exist elsewhere, to make a decision about their current safety situation. For example, a worker would not accept a job, which has a 20% risk of dying just because their colleague has a 40% chance of death. The worker will seek to find a job with the lowest possible risk of death without basing their evaluation on the safety standards of their friends or colleagues, therefore on the surrounding context.

Frank proposes to tax harmful behaviours so as to reduce harm and a waste of valuable resources. A tax on consumption would advocate more saving and investment that could initiate a further growth and progress in the economy and it's infrastructure, including better and higher quality public goods. It would place commodities, luxuries and exaggerated occasion spending to the background and bring the incentive for investment to the foreground. A progressive tax on income and business can to an extent hinder job-creation. Frank writes about the idea of a progressive tax on consumption for raising government revenue was warmly supported by leading economists (Frank, 2011, p.98).

Frank's discussion on the harmful functions of consumption seen in the light of absolute competition is an instance of interest. He presents his argument as a justification for why a worker would be willing to work in a high-risk environment for a higher salary. The case is illustrative of a specific example when parents want to send their children to leading schools in the country: adults work at jobs that have low safety precautions; the lack of safeguards is

financially compensated, the additional cash is used to pay for the more expensive house in the better school district. However the complication that arises is when everyone chooses to work in a riskier job, the ultimate and absolute non-financial outcome would be identical to when everyone worked at safer jobs for a lower salary. The advantage will only be manifested in relative terms for a family. The representative case is exemplary of how markets fail in perfectly competitive environments in which the competitors are perfectly informed.

Another example of how individual and group interests diverge is illustrated in Thomas Schelling's explanation for why hockey players choose to remove their helmets during the game but vote for pro-helmet regulations. The initial case brings a relative competitive advantage to the player without the helmet, through better sight and hearing. In the second case, their opinions in voting are indicative of disparity between individual and group interests. If all players play without helmets, the safety risks increase and none of the players achieves the competitive advantage.

Frank further ponders on the topic of the inevitable government waste in the fourth chapter of his book, he brings Keynes approach when in a situation of economic downturn or a Depression, the only players that can successfully resolve and bring the economy back to prosperity is the government (Frank, 2011, p.69), through initiating public investment. Since consumers are not always rational with their savings and often save too little, this comes to show their consumptive behaviour and an unwillingness to cut spending now to have a decent quality of life after retirement. Therefore from Frank's perspective, the government should be considered a major authority that is to direct and correct our consumptive patterns.

Frank suggests that the inclination for a higher relative income is the attraction of the larger spending capacity. Waste in the private sector is greater than the waste in the public sector. Here Frank is concerned about the waste necessary for *achieving important goals* in life, which chiefly depend on the consumers spending capacity. This waste is in theory circumstance-driven by what is the current standard.

Middle-class might be facing future risks, Frank believes because of the changing pattern of income growth; the average income growth rate has been slower since 1970's for all classes except those at the top, whose income rate continues to increase yet more. The income of those in the middle class has increased at a very slow rate, but they are nevertheless forced to increase their spending patterns because of the standards, the 'expenditure cascades'. We can only guess what consequences this changing income growth pattern will have on the middle and lower classes, since no research has yet analysed the relation between changing income pattern and consumption. "Social forces cause.. bigger mansions, no intrinsic utility, extra hassle" (Frank, 2011, p.78), the total consumer spending is larger and more wasteful than the total government spending and the "positional consumption beast" (wasteful private expenditures) is supposedly easier to eliminate than the government waste, through changes in incentives.

The matter of context is an issue in military goods and armaments as well as consumption goods although to a lesser degree. It is not so damaging to have worse or less commodities than to have a weaker political defence army. That is why it could be considered rational for governments to spend more on arms instead of public goods and services, because public services will not defend them from foreign invaders. Besides the military arms race and agreements that aim to resolve the waste that is involved, there are also attempts to settle similar phenomenon in sports and everyday life by placing restrictions on steroids, car engines and salaries. Through the process of limitation these became 'positional goods' because they all function to one way or another elevate one's position in the social strata. Following through from this discussion, Frank talks about ordinary consumption and how 'positional goods' affect the spending pattern.

Both Veblen and Frank have ideas and theories, which share similarities with one another, or which look at a concept from their own distinct position. Frank proposes a solution for conspicuous consumption, yet Veblen says nothing of the need for a change or settlement to excessive waste, he merely presents a colourful theory and describes what in his view is the status quo of the leisure

class. The following section looks at the most notable ways in which Frank and Veblen's writings relate.

1.3: Relative position and the standard of waste; Veblen and Frank:

Andrew B. Trigg (2001) considers that despite the fact that Veblen's *Theory of* the Leisure Class was written more than 100 years ago, it is still relevant and highly applicable to theories on consumption today. Status seeking obviously can take the form of conspicuous consumption. The waste that Veblen attends to when he mentions conspicuous leisure and consumption, vicarious leisure and consumption, pecuniary emulation, canon of expenditure is comparable to the waste that Frank introduces to the reader when he refers to the waste achieved in our desire to outcompete and obtain an advantage relative to our opponent. Frank's waste is defined in terms of added costs for a cause in which no single person advances forward in relative terms, but rather, there is an unnecessary move forward in the absolute terms. In the case of the changing income pattern mention earlier, wherein the increased spending capacity of the higher classes is due to their substantial income growth rate, there is also an element of waste that appears. For example, a few decades ago, all individuals belonging to the top-strata could easily afford to build a mansion of 'x' size, which was also considerably more than enough to provide for physical comfort. Today due to the availability of additional financial resources, they can easily afford to build a house twice the size, therefore '2x'. However, because all members of this class now build a bigger house, there is a demand for additional resources whose utility now becomes regressive because the extra square metre of an 800m² mansion cannot sensibly be claimed as efficient. Thus, if the houses of the wealthy were reduced by a half, their owners would surely not suffer from inadequate subsistence and housing; resource reallocation could become more productive.

Both Frank and Veblen agree on the relative aspect of wealth, the end that is strived for is an accumulation that is larger in comparison to other members of the society. This contrast and comparability is always present, individuals rank themselves in analogy and as a point on a curve, unfortunately, there is always someone wealthier and occupying a level above us, this compromises the insatiable nature of desire. Middle-income consumers and wealthy CEO's belong to two different ranks that generally do not interfere with one another. The standards of waste are obviously financially more costly for the CEO's, but as research demonstrates, the standards for the middle-class have also been on the rise. Frank argues that spending is largely context-driven and standards are decisive for a consumer's rank and expenditure. The higher a consumer ranks, the faster their income had grown since the last century, Frank calls this "Expenditure Cascades" as already mentioned earlier.

Expenditure cascades in Frank's illustration are also observable in Veblen's text, more precisely in his canons of taste and expenditure. Both of the authors agree that the highest strata create a standard, which speaks what the amount of spending should be and where exactly the expenditure should be paid out. The lower strata look to the middle strata for directions and the middle-strata look to the wealthy-strata for their respective conduct in consumption, and overall unintentional form of harm is thus created. Frank proposes that such a mechanism could be diminished in absolute terms through installing a consumption tax as a policy that makes people's freedom for action not impossible but more expensive.

The genetic motivation that drives us to want to attain a high status to procreate and pass on our genetic material, as Frank describes is in some way comparable to Veblen's ideas on archaic traits (*chart 1 p.20*). Archaic traits are essentially what is passed down to us as genetic material. By engaging in behaviours which had been historically proven to inflate reproductive success, it is inherent that those genes that code for specific gainful characteristics will be biologically stored. Veblen's theory that aggressiveness and predatory habits originate from the predatory society (which can be traced in noble employments) is comparable to Frank's idea on human genetic motivation. These traits, unfortunately cause us to be at times lead by personal motives that harm group interests altogether.

The issue with luck is taken for discussion on different grounds. Veblen's *belief in luck* is argued to be a hindrance to industrial efficiency but an

obligatory ingredient for success for Frank. Gambling and sporting activities are considered emulative entertainments that can distinctly single out those with a clearly defined personality and fitness of dominance and are therefore related exclusively to the leisure class due to their warlike component. For Frank, the role of good luck in success is approached as a dimension that attempts to gain a deeper insight into the wasteful tax system and income patterns in the United States. Frank comes to demonstrate that employee utility and hard work are not proportionately reflected in their pre-tax income. A CEO's income, compared to the middle-income worker, has gone through an extreme growth rate since 1970's, while their talent, knowledge and workdedication hasn't markedly improved. The cause for this growth is attributed to the greater CEO's decision leverage, technological progress and increased competition and mobility for top positions. It is a chance of luck that an individual will be attributed with both genetic predisposition and stimulating environmental care that would make them both more talented and hard working and therefore more likely to earn higher financial profit. Therefore success goes hand-in-hand with luck.

Conservatism of the leisure class as suggested by Veblen and Frank's several references to the republican president George W. Bush share some parallels. Bushes' reduction of income taxes for the wealthiest consumers and an overall reluctant stance for consenting to government regulation and taxation can also be reflected in Veblen's ideas on conservative beliefs of the wealthy. The leisure classes predatory and even parasitic tendencies to exploit the middle-class workers and accumulate significantly larger proportions of wealth than their minors and to also have a lower relative tax obligation is not identical to but similar to George W. Bushes "It's your money" type of ideology that refers mainly to the wealthy.

Veblen's theories on commodities and their function as status symbols can be of value to modern day marketing strategies providing awareness of the consumer's desires and conduct (Patsiaouras, 2010). However critics have emphasized its limitations in that it only applies to luxurious commodities (Trigg, 2001). The 'conspicuousness' that Veblen attributes to consumption

might also feature as an imperfection, authors like Canterbery (1988) and Mason (1988) have argued that wealth is no longer as prominently displayed but its' evidence is more toned down and intricate. However when looking at the modern century, the display of abundant financial means is once again turning highly observable if not a mandatory activity to live up to standards, due to our myopic psychology (Levine & Frank & Dijk, 2010). What this means is that we tend to underestimate future costs and rather concentrate on current rewards and profits, our outlooks tend to be rather shortsighted.

1.4: Value and Appreciation: An Application for Today

Patsiaouras (2010) in his *Rethinking Veblen's contribution to Consumer Research* repeatedly confirms how marketing directors are aware of and quote ideas and theories from Veblen's most famous book (*Theory of the Leisure Class*) without appropriately crediting or realizing where the content of their knowledge was derived from in the first place. He calls for a revival of Veblen's most popular text as a way to better understand the consumer society we live in. On the other hand many writers such as Bordieu have argued that Veblen's theory on conspicuous consumption lacks sophistication and hinders the precision to relevantly attend to the 'multifarious life-styles that characterize contemporary capitalism' (Trigg, 2001).

In his book 'Distinction', Bourdieu deals with various types of consumption, not solely the luxurious spending and consumption for status. He criticizes Veblen's vertical analysis of society, that is based on hierarchy and therefore himself proposes a horizontal application in which individuals with the same social status vary in an interdisciplinary, cultural and economic modes of life. The development of modern-day middle-class leads to an insightful study of their occupations in other than industrial sectors. The idea that 'taste' is an attribute of the wealthy in Veblen's theory, is challenged by Bourdieu (Trigg 2001), who claims that taste is a sign of social class.

Further, Bourdieu (1984) disapproves Veblen's 'trickle down' theory in which the upper classes trickle down their tastes to the lower working class. Those at the bottom of the hierarchy can also achievably set a standard and work as 'pacesetters' (Fine and Leopold, 1993), which is quite a provoking statement, since according to Veblen, Frank and our natural stream of thought it is rational to believe that the middle and lower strata imitate their direct superiors and that what is the current standard created by the higher classes. An example is the product jeans "the original success of jeans as a massproduced item of consumption did not take place because of the behaviour of the upper classes." (Trigg, 2001, p.103). However despite the existence of evidence and examples of the ways in which the lower classes can 'trickle-up' their norms and action codes to their superiors, I personally believe that the upper society is nevertheless dominant in this sphere of culture and conventions. My opinion is backed not only by Veblen's more persuasive justification of the 'trickle-down theory' and more theories on canons of expenditure & taste and pecuniary emulation. But also Frank's 'expenditure cascades', standards that affect our rational choices and positional externalities, further by James Duesenberry's relative income hypothesis which acknowledges that individuals are concerned about high status and achieve greater satisfaction if our consumption is above average, thereby imitating the superior spending patterns.

I consider a more accurate revaluation of the trickle-down effect by McCracken (1988) in which it is no longer only the wealthiest that set the standards, but the predominant and most influential who were not supported by great financial means to begin with, for example fashion designers. Simmel's (1957) idea is that fashion is used as a symbolic form of culture-dispersion, more recently, Bovone & Crane (2006) further look into fashion and theorize about how it can impute a distinctive meaning to the material culture. Therefore, the underlying thought behind these theories is symbolic creation and cultural significance that material goods have for consumption, for status and more abstractly for self-expression.

When looking beyond the mere economic values of consumption goods and the attribution of their possession to higher material wealth, Boyone &

Crane (2006) further demonstrate an interesting link between material objects and how they can convey a message of value, self-perception and personal identity. Their theories on fashion are arguably more relevant to the modern society than those of Veblen, since it is no longer so important (to such a degree) as during the industrial period to exhibit clothing that shows labour exemption. Clothing and fashion nowadays have transformed to a great extent, distinct class divisions have dissipated, forming 'niches' with discrete tastes and preferences but with equivalent economic conditions. This reflects the transformation of material goods and demonstrates that their superiority is not always based on mere possession, but also on different forms of their utilization.

Part 2: Social Markers of Consumption in the Modern Day

Social markers display how consumption can come to determine one's social position. Before listing the status symbols of the 21st century it is necessary to ponder on how to obtain the knowledge of what in particular they are. One method could be to find studies/papers and books that have been conducted and written to establish the social markers, another more demanding approach could be to follow the wealthy by observing their everyday activities and possessions and yet another strategy would be to be or become wealthy. The method presented here is by looking in detail into Frank's and Veblen's markers that express status, particularly ideas presented in Veblen's *Theory of* the Leisure Class, Robert Frank's Luxury Fever (as a comparison) and yet another of the same author's more contemporary book *The Darwin Economy*. The modern day symbols of status are not radically different from those proposed to us by Veblen, originally in 1899 the span of more than 100 years has not tremendously caused a difference in the type of status-symbols but rather a changed manner in the degree and extent of their utilization. The rule of communism had not directly caused an influence on the Westerners and the discussion on the transformation and creation of social markers in the Eastern societies would be an intricate topic for another paper. The current thesis brings focus to the Western countries in the first place.

After conducting some research into the nature of past and modern day markers of status, the following items and activities are considered to be leisure of the top-ranking members of our society according to Veblen (1934):

3.1 Chart 1: Veblen's Status symbols

Social Markers	Features	Specifics
Conspicuous Leisure	a) Occupation (useful labour exemption) b) Use of Trophies (p.35) c) "Immaterial goods" {scholar, artistic} d) Vicarious leisure = Women + Servants	c) Dead lang., occult sciences, correct spelling, music, art, dress, furniture d) Evidence of wealth and pecuniary accumulation
Conspicuous Consumption	a) Unproductive consumption – honourable b) Consume only the 'best of' c) Luxuries – mark of the master d) Women consume vicariously for their master. e) Consume in excess of the subsistence minimum f) Valuable presents + expensive feasts g) Vicarious Consumption	b) Food, drinks, narcotics, shelter, ornaments, apparel, weapons d) Mark of wealth f) For purposes of ostentation and allowing the competitor/guest to consume vicariously g) Increase of good fame on the part of the master
Standard of Living	a) Emulation b) Standard of expenditure c) Wealthy class sets the outline for decent and honourable scheme of life. d) Subsistence minimum precedes higher wants	 a) Outdo our class equals. Emulate the class directly above us. b) Conformity to the scale of expenditure d) Higher wants – good repute / need for salvation
Industrial Exemption & Conservatism	a) Industrial vs. non-industrial occupations b) Conservative views of the wealthy class and the poor. Political reaction. c) Predation and parasitism of the wealthy	a) Gov. /war /sports – honourable occupations b) Aversion to innovation/ progress or change in traditional ways of conduct. Social inertia. The rich see no need, the poor have no time or energy to change.
Archaic Traits	a) Aggressiveness, predatory habits. b) Truthfulness, peacefulness, non- invidious interests c) Politics, ecclesiastic, military d) Deprecates all productive labour e) Instinct of workmanship – conscience d) Traditional roles, classicism	a) Visible in Pecuniary and noble employments. Wealth accumulation. (Barbarian stage – class antagonism.) b) Primitive savagery stage c) Pecuniary employments e) Peaceable stage of industry
Prowess	a) Fitness for pecuniary pursuits = ferocity + astuteness b) Conventions from barbarian scheme of life - still survive	a) Heritage from the past –barbarian period.b) Prowess and predatory life.Instinct of sportsmanship.

Belief in Luck	a) Gambling, sport – hindrance to industrial efficiency b) Animistic propensity in material things	a) Warlike and emulative activitiesb) Archaic trait, anthropomorphic cult, sense of status.
Devout Observances	 a) Religion – conspicuous leisure – high status. b) Devout observance and consumption is vicarious consumption. 	a) Archaic trait of honour conserved by the wealthy.b) Women and children attend church more than men. No economic gain is achieved.
Non-invidious Interests	a) Expenditure on public goods b) Elimination of non-invidious effort through canons of waste c) 'New Women Movement'	 a) Schools, charity, library, museum. – Element of invidious emulation and repute is present. c) Emancipation and work
Higher Learning	a) Education is leisure. It is honourable if it does not bring direct productivity to the community.	a) Theology, Humanities, occult and dead languages, philosophy, mathematics – Abstract subjects

A life of leisure is beautiful and honourable in the eyes of all human beings claims Veblen. The <u>exemption from labour</u> is above all a prerequisite for privileged distinction and the performance of labour is a task for the inferior. Predatory culture considered productive labour to be inappropriate for those of high rank. Occupations in spheres of politics, battle, hunting, sports and "devout observances" were the noblest activities one could engage in.

"Immaterial goods" exist to display how leisure has been used when not in public or in the sight of an observer. Decorum and manners are seen as representations of dominance and good breeding since both are timeconsuming and costly, thus they become canons of conduct for the rest of society.

The element of waste, of the *canon of conspicuous waste* is common to both conspicuous leisure and conspicuous consumption for the purpose of good repute and demonstration of wealth. The high mobility of the population in the later, peaceable economic stage and the industrial society in which the individuals could observe many more people than before forced the assessment of prestige via consumption and exhibition of material items and the 'unremitting demonstration of ability to pay' (Veblen, 1934, p.65). Conspicuous consumption is best visible in those communities where the

'human contact of the individual is widest and the mobility of the population greatest' (Veblen, p.66). The standard for conspicuous consumption is higher in the city population than in the rural area. In a community where conspicuous consumption prevails, the individual whose pecuniary ability increases will select material goods of consumption as their primary choice in expenditure.

Motivations for the 'ownership' of women are the master's evidence of power, compulsion and represent his competency through the women's usefulness in assisting the owner (Veblen, p.66). Servants are employed to demonstrate the owner's wealth (Veblen, p.43). A division of labour exists, in which those employments that are closest in service to the master are more meritorious than the industrial productive ones. The *instinct of workmanship* compels men to look with comfort at productive labour, in cases where waste is present; there must be an apparent purpose for the exceedingly expensive spending.

Low serviceability and high wastefulness are features of honorific articles. Beautiful articles are expensive and expensiveness makes articles beautiful, gold or a high-cost artwork for example are rare, but hold aesthetic beauty. The individual acquires honour not through the articles' fundamental beauty, but through the mere possession of the honourable item. Goods that are not expensive and that serve a direct productive and efficient end are not considered to be honorific and therefore are often disapproved. A consumer will approve of a good only if there is a visible skill of workmanship applied to the product to demonstrate a conspicuous waste. Elegant clothes and dress convey the wearer's exemption from labour, a life of leisure, and an ability to spend without being productive therefore a vicarious consumption by women. Fashion is shaped by canons of expenditure and waste, it is extremely unstable and those that could keep up with new fashions by repeatedly spending on new attires demonstrated a personal distinction and pecuniary wealth.

Thus we witness the diversity and richness of Veblen's theories on consumption and status. His detailed description of the different ways in which status is demonstrated and understood adds greatly to our own comprehension of the concept of status, as it is today and its definition in the past. Being equipped with the precise knowledge of the roots of status markers

from the past, our outlook on this concept gains greater gravity and our appreciation becomes more holistic. Now it is justifiable for us to focus on a modern-day author – Robert Frank – to analyse and determine consumption and status from a rather focused-perspective in the contemporary society.

The luxury-spending boom as clarified in Robert Frank's *Luxury Fever* is dedicated to the following components:

3.2 Chart 2: Frank's status symbols in Luxury Fever (1999)

Social Markers (Luxury Fever, 1999)	Specific examples	Detail and worth \$	
Fashion			
	The Patek Philippe Wristwatch	17k - 2,7m	
	Prada Pants	400 \$	
	Hermes Kelly bag	18k	
	Shoes	21 % price increase since 1995	
Cars		30k +	
	Lexus 450	48k	
	Porsche		
	German luxury cars (Audi,		
	Porsche, Mercedes, BMW	14 – 53% sales increase 1990 - 95	
	Sport-utility segment (Mercedes,	Sales tripled (1996-97)	
	BMW, Lincoln, Lexus)	30k – 40k +	
Luxury travels	Grew by 130% since 1990 - 95	Spend at least 350\$ per day	
	Jet	37m	
	Yacht	18m	
	Luxury hotel suites	750\$ – 5k per night	
Restaurants			
	Restaurants - Daniel	1-month prior reservation	
	Restaurants - Le Cirque 2000	Thousands of res. Requests per day	
Homes	·		
	Ski area vacation homes (Colorado,	500k - 2m	
	Pennsylvania)		
	(Computerized electronic controls-	(Change home settings through	
Bigger & better equipped homes	Silicon Valley)	email)	
	Size increase from 1000 sq. ft.		
	(1950's) to 2 – 3,000 sq. ft. up to	Florida: 23 – 64,000 sq. ft.	
	6,000 sq. ft.	10 – 100m \$	
	2.5 bathrooms +		
Professional home appliances	Stove	15k	
Cosmetic surgery	Facelifts- 180% increase since 1988	(Nose jobs, liposuction)	
	(Higher premium price for high-		
"Charm premium"	quality goods)		
		Water, city light, mountains	
	Premium view	(20–100% premium price increase)	
	(Premium location)	Demolish expensive houses for new	
		500\$ – 5k per bottle	
	Ultrapremium wine	40% premium price increase (1996)	
		3 – 50\$ per piece	
		40% premium price increase (1992)	
	Premium cigars	for Cuban cigars	
r - thousand m - million) (+ mear	a (and mana')		

(k - thousand, m - million) (+ means 'and more')

Fashion, cars and luxury homes/hotels are clearly the predominant aspect of spending patterns of the top-strata listed in the chart above. The social markers on the left-hand column represent the categories of status goods and services that have gained popularity during the luxury boom in the 90's. The middle-hand column illustrates the specific examples and subcategories of the corresponding larger status goods. What is particular about these examples is that they were the most popular and widely observable instances of each social marker during the past two decades. The right-hand column reveals the details and the highest worth the product or service was marked to be valued at and soled for.

Frank makes it clear that despite the huge increase in availability and manufacturing of luxurious products and services, there are surprisingly long waiting lists to acquire them. Families no longer struggle to find sufficient goods for food and shelter they need but the products and services that they desire. A 1-month prior reservation must be made for particular restaurants in New York, luxurious resorts and first-class plane tickets are booked months ahead, what's more, Porsche's Boxster had a waiting list of one year. The sections in fashion, cars and luxury travels represent not only the high price of the products but each product listed is extremely desirable and could only be achieved on backorder or through long waiting lists. The case for home appliances is driven by the consumers desire to own bigger and more highly differentiated versions of existing products (Frank 1999, p.36). Cosmetic and plastic surgery have undergone an almost 200% increase since 1988. Increasingly younger adults are deciding on a facelift, from an earlier age average of 60, it had dropped to an average of 40 in 1993, people not only want to appear young for personal reasons, but they're compelled to do so through an accepted standard of beauty.

The charm premium denotes the rising premium price on a variety of high-quality goods that have similar attributes and purposes, but differ in value and prestige. For the housing market this prestige is location, architectural design, distance from work, surrounding view etc. These qualities increase the

'charm premium' price of the house. Premium wine and cigar price increase is often associated with lust for living a prestigious and successful lifestyle.

The luxury boom was also traceable in cities in Europe and Asia, such as Russia and Japan, as cited by Frank.

Evidently the collected data clearly demonstrates the increase in consumption and expenditure on luxurious products and services. The Western civilization is building and buying bigger houses, attending extravagant hotels and restaurants, drinking more expensive wines and smoking expensive cigars, riding lavish cars, spending more on luxurious brands of clothing and extensively younger adults decide on cosmetic surgery. There is a slightly higher priority given to material goods consumption over services expenditure or other forms of status demonstration. The preference for commodities can be explained for their clearly visible physicality that is promptly recognized. Therefore expensive product appropriation seems the logical thing to do when the rate of wealth accumulation increases and basic needs for shelter and food have been catered to.

Moving on now to the modern day status markers as clarified in Franks' *Darwin Economy.*

3.3 Frank's status markers from *The Darwin Economy 2011:*

As mentioned previously, Frank distinguishes between positional and non-positional goods. The positional feature is the type that increases an individual's likelihood to survive, reproduce and pass their genes to the next generation. In this section, I will attempt to present the positional goods in a more detailed manner.

Experiments show that **non-positional goods** are: safety, leisure time, freedom from noise and pollution, workplace amenities (grievance procedures, task variety, and comfort features), insurance, public goods and savings (in the case of savings there is a tendency to discount future costs, the current deficient is considered more important than the future deficient since it can

only be an imagined one). **Positional goods**: income, investments for offspring, visible expenditure articles (cars, clothing, jewellery), private goods.

The following account portrays Frank's modern day observations on positional externalities:

- a) The CEO compensation has increased substantially (from earning 80 times what a average worker in 1980 earned, to today earning 400 times that of the average salary) causing a *shift in the income pattern growth*. Whilst the salary of an average middle-class worker has only slightly increased in the past decades, relative to the higher class income. Despite this their houses are yet larger as a result of external building *standard pressure*.
- b) The average cost for a wedding in 2009 was \$30,000, which is twice as much as it was in 1980 (inflation rate taken into account). *Spending on special occasions* (birthdays, anniversaries, weddings) and events is significantly higher than in the last few decades but no one feels any more special on these events than before. In 2005, the cost of a young lady's 18th birthday party, whose father is a CEO, cost \$10 million.
- c) Building of *unnecessarily large mansions* by CEO's as a result of increased salary is seen as a desire for greater mental comfort and satisfaction. In 1970 the average house size for the middle-class was 1,500 square feet, in 2007 the average increased to 2,300 square feet. The greater absolute size of the mansions has long outgrown the additional utility, the scale of construction is increasing simply because the standards of the time require so.
- d) Frank illustrates how the highest increase in consumption is observable in housing and occasion spending, naming such phenomenon the 'expenditure cascades'. He suggests that a tax would alter the current wasteful standards for expansive building and costly occasion squander. If the level of top-strata consumer spending would decrease by a half, no one would be worse of and they could even be happier, due to less problems that arise when maintaining large mansions or organizing huge occasions.

e) Regulation, taxation, public expenditure is reflective of public and private goods. As mentioned before, Frank proposes to <u>tax positional</u> goods, however this would be problematic seeing that it is not accurately possible to determine which goods are the most positional in order to levy the highest tax on them.

The nature of the social markers of consumption today can be observed from two different perspectives. The perspective of a citizen of wealth and the perspective of the average citizen. These separate stances are distinct views, the affluent consume and buy regardless of the price and they buy excessively beyond their subsistence minimum, in many cases they disregard the effect their expenditure will have on society, they are governed by self-interest and an egotism to maintain, affirm and demonstrate their superiority according to the standard of expenditure of the time. Whilst the average are aspiring to be able to act identically and their perspective is that of "living-up-to" the way of life of those that are well-off.

Buying a nice car is a status symbol; it is often placed before paying bills for electricity and gas, before paying for basic human needs, that is why it is not rare to find the most luxurious cars in the poorest black ghetto's of America (Frank, 2011). The average citizen must often sacrifice other immediate needs in order to demonstrate a high social position, which in reality is an artificially created method that masks a true reality. An aspiration to match up to the consumerist canons of success and 'completeness' can cause people to travel to great lengths for the sake of status.

Before moving on to some explanations as to why we want to consume for status we must make some sense of the information mentioned on conspicuous leisure and consumption, status markers and positional externalities. Basically the most crucial point to see is that both authors recognize that we are standard-driven, our spending's and preferences are decided by a set of norms that condition what we consider 'enough', 'beautiful' or 'expensive'. We know that a Ferrari car is fast because relative to Hyundai it's speed is much higher, but when taken in isolation how can we now whether it is fast or slow, it may

be faster than a human can walk but in terms of a vehicle alone we can never say the same. Expenditures on positional goods, housing and occasions (balls, parties, weddings) are perhaps the primary areas where money was and is concentrated at for the sake of establishing high reputation. In Frank's texts, cars are often mentioned; the modern-day widespread availability of automobiles has opened another way of indicating one's uniqueness, which was much less achievable during Veblen's times. Nevertheless, motor vehicles go far to exemplify affluence through speed, design and wastefulness, luxurious automobiles are faster than the average car, they look and 'feel' better having more sleek designs and expensive materials, but their maintenance is costlier. The owner therefore must have enough wealth not only to buy the car, but also pay for inefficient fuel reserves, high-cost mending and only drive on smooth surfaces. Therefore it is quite obvious now that money is spent wastefully and most visibly in order to demonstrate one's status.

In the coming section, I will concentrate on clarifying a few explanations that attempt to give reasons for our desire to accumulate wealth and consume.

Part 3: Roots and Psychological Explanations

After becoming acquainted with the markers of consumption and means that bring no efficient purpose to our community, a crucial question comes to mind and this question is, why? Why do we desire all those attributes that are indispensable in authenticating our rank and worthiness? Why should we want to excel and surpass our neighbour and why are we not mentally satisfied with being worse off within our sphere of friends but much better off than the average citizen of the world?

3.1: Darwin's Contribution

The only reasonable scientific hypothesis that exists narrates a fundamental and in-born human motivation to act in ways that would best transmit genetic material to the next generation. As proposed by Charles Darwin a biological explanation of the plant and animal species would dictate the theory of **natural selection** (Darwin, 1859) or 'the survival of the fittest' (Spencer, 1864), essentially the advantage of being equipped with those characteristics and features that best suit the contemporary nature of events for one's remaining alive and surviving. The environment does not cause the differences of a plant, animal or individual, but a living being adapts to the environment in order to become more suitable and those who are unable to adapt run the risk of extinction.

When looking at evolution from a bird-eye view we are taught that differences and similarities in species are the result of 'migrations, passing down of heritable traits, genetic mutations and natural selection' according to Berkeley's education website (Understanding Evolution, 2015). The evolutionary theory further explains how genetic variation, ancestry and reproduction cause natural selection. We must therefore clarify Darwin's theory of natural selection on evolution before proceeding any further. Darwin claimed that species in the environment all naturally posses a variety of traits, since the

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¹ First coined by Herbert Spencer in 1864, later Charles Darwin utilized it in the fifth edition *On the Origin of Species*, 1869

environment is limited, it inhibits infinite population growth. Therefore, the reproductive capacity of each individual species is also limited and in order to succeed and be able to reproduce the species must express a specific trait or set of characteristics that would foster their reproduction. Those species that lack those traits fail to reproduce and pass their genetic material to their offspring. What this causes is an extinction of species 'unfit' for the environment, whilst the individuals with beneficial traits continue reproducing and passing down genes that code for the favourable characteristic, therefore creating heredity. Eventually, as the mechanism continues to operate, the final outcome will be that all species in the environment will possess the more suitable genotype. The term fitness is used to ascribe the success of a specific genotype to have offspring survive in relation to other genotype's success (Understanding Evolution, 2015). The more offspring a species leaves behind, the higher their fitness, the higher a chance for survival, finding a mate and reproducing. Natural selection is not random; it is a working mechanism of evolution that is caused through a combination of environmental variation, differential reproduction (fitness) and inheritance.

Individuals of a higher-level rank have necessary means and alliances for survival, therefore the desire for superiority is explainable as an inclination for endurance. Even if monetary resources are not abundant, the individual will go to lengths to spend in directions other than that for basic needs. This manner of spending will generate a spirit of dominance; seeing that the higher-ranking individuals are admired and followed this will place the individual at a better position with an advantageous manner of behaviour directed towards them. Natural selection has provided for humans ability for imagination and self-awareness (Pollack, 2009). This initial condition was a strategic necessity for survival so that later aggression and predatory habits became evolutionarily more 'fitting' traits for males to be able to successfully compete for scarcities in the environment, most commonly these were major survival resources and mating partners (females) (Lindenfors and Tullberg, 2011). On the other hand, when turning away from competition and predation to look at a group manner

of life, hostility had to cancel out; otherwise mutual destruction would subvert the species preservation.

Human beings are social beings; therefore living in a group is a vital need for their survival. Reciprocal behaviour is an aspect that should be upheld for the effective life of a human (Cialdini, 2001). However how far does reciprocity travel in today's society? From the evolutionary perspective reciprocity contains an elementary component - return of favour. Dunbar (1996) describes how primates engage in reciprocity through mutual grooming which functions to strengthen group bonds and therefore increase the chance of future group survival. Reciprocity therefore is an important mechanism for one's increased likelihood of remaining alive fostered by another individuals help, this creates a common greater good through cooperation and therefore group life preservation. Today, reciprocity can be considered as a prerequisite in sustaining professional and romantic relationships, business deals and trade. (Cialdini, 2001). An example of specific types of behaviour that foresee no personal future return can be philanthropic motives and Boulding's (1973) theory on 'serial reciprocity', that means returning a favour by delivering a good cause to an unrelated person. Wuthnow (1991) explains how reciprocal actions are driven by duty and obligation that force us to respond to benefits we have received. Therefore to be considered superior in a group means worth and uniqueness, all individuals value and prize that what has worth and that what is supreme. It is a common practice for the wealthy to engage in philanthropic behaviour (Veblen's non-invidious interests of the leisure class), those that benefit from these causes find themselves feeling a direct responsibility, gratefulness and an obligation to respect and admire the altruistic actions of prosperous men and women. In this sense, the upper-level individuals have a benefit in that their treatment will be valued more than that of the average-ranking human, their sustain and preservation will naturally be placed as prime importance. It is therefore rational to desire an exceptional air of reputation because this is attributed with preferable receptions that heighten survival and mating motives. In the contemporary Western society, this is plausibly reflected in consumerism.

The motive that follows from 'natural selection' and is the principal hypothesis of Darwin's 'survival of the fittest' is the mating theory or the **Sexual Selection theory** (Darwin, 1871). To be able to reproduce and leave behind offspring increases the chance of gene preservation and also enhances one's fitness. From the perspective of male competition, sexual selection explains how males compete to gain a female for insemination. From the female perspective, the theory describes choice; the female has a number of options and therefore chooses the male she would like to mate with. Male damselflies can scrape the sperm of other male damselflies out of the female's body, whilst other species' females can excrete unwanted sperm (Sexual Selection, 2015).

Now, it is crucial to distinguish between the proximate and ultimate causes of behaviour. The ultimate explanation would describe why a behaviour exits, whilst the proximate explanation clarifies how and under what conditions the behaviour works (Mayr, 1961). We want to survive and we want to gain a mate, copulate and pass on our genes to the next generation. Animals exhibit a great variety of features and characteristics (ultimate explanation) that amplify their chance of acquiring a mate, but which at the same time decrease their chance for survival as stated in Darwin's sexual selection theory. The proximate explanation for the traits would be explained in terms of anatomic and physiological processes. Examples include fighting, complicated dances performed by fruit flies, delivering gifts by specific type of birds and a peacock's tail which Miller and Todd (1998) claim matches with human display of wealth. The giraffes long neck as suggested in a study by R. Simmons and L. Scheepers (1996) is not, as previously believed, a characteristic beneficial for food-competition, but rather a quality that contributes to sexual selection. Male giraffes have larger and longer necks than females and therefore this serves as an advantage among other male giraffes when "clubbing opponents with well-armoured heads on long necks" (Simmons and Scheepers, 1996, p.771). The most prominent method of mating and the one that most closely relates to humans is fighting and aggressiveness, the male-animal who is able to defeat an opponent in combat owing to greater vigour, strength and power is able to as a reward obtain the pack of females for copulation. The aggressive male is feared and esteemed and the strongest or the one with the costliest traits is sexually the most attractive. The example of the male giraffes with their long neck as a characteristic of sexual selection can serve as evidence of the most unexpected and bizarre at first-sight features that function reproductively attractive.

In this fashion, we can witness a parallel in the attributes and features that human males and females attend to in order to appear more sexually attractive. 'If a trait made the individual better able to survive and reproduce it would be favoured' (Frank, p.36) and it is not a prerequisite that the characteristic that is advantageous for the individual in terms of survival and reproduction is an advantage for the species as a whole, it can and often is levied a cost against predators. But a feature must not be advantages in absolute terms; it must be more useful and more developed than other characteristics in relative terms. Thus because of the struggle for existence and reproduction, male displays of high status enable a benefit in mating competition. Evolutionary psychology describes how across culture a male's economic security is related to reproductive success (Kruger, 2008). Trends of high financial consumption are somewhat indicative of wealth accumulation for purposes of mating. In order to have high reproductive fitness males, must exhibit features that females prefer.

Today, the ability to purchase certain consumer goods conveys personal value and ability to accumulate and be secured by wealth (Colarelli and Dettmann, 2003). Resource allocation is today the most evident method of prosperity display, a tendency to spend more and save less can observed through the decrease in personal savings according to the US *Bureau of Economic Analysis* from an average of 10% in the 1980's to 5% after the year 2000. While the Federal Reserve Bank of New York indicates a 0.5% increase in household credit debt from 2013 to 2014, and a 40% increase over the past decade (6.7 to 8.68 trillion). The Federal Reserve Bank of New York also reports an almost 50% increase in non-housing debt (from 2.12 to 3.15 trillion). Kruger (2008) further found that men who spent more money, borrowed more credit and saved less also claimed to have more sexual partners in the past five years and expressed a wish to have more partners in the future. Roney (2003) found that men announce a higher motivation to make money when an attractive woman

is physically next to them or when viewing photographs of appealing women. The products they tend to want to accumulate more in women's presence are often those of a clearly observable nature (Griskevicius et al., 2007).

Veblen mentions how engaging in costly and expensive activities proves a higher pecuniary standing. The more the activity can demonstrate a squander of money, resources and time, the more honourable it is considered for example a party, ball or social gathering is of precisely these qualities and therefore it can only be carried out by the wealthy.

Due to limited research on how consumption and status-seeking mechanisms through luxurious spending for wasteful causes relates to natural selection or mating, it is difficult to draw any straightforward conclusions nor methodical relationships that would explain the former concept in terms of the later. There may be research that illustrates obvious links and ties that report consumption as an activity that enables more mating opportunities. This is due to enhanced male or female attractiveness and persuasive evidence of future stability and capability to materially secure offspring. However it is difficult to say whether a male's/female's successful mating history should truly be accounted for economic displays and whether the same increased financial presentations played a role in bettering their chance in seducing a mate. Further what role did more visible luxurious products and spending play in mating is a field to be more deeply explored in evolutionary psychology.

Hormonal Leisure

The relation of hormones and drugs may also assist to expand on our quest into the insight of cognitive mechanisms of social marking. Recent studies have demonstrated how hormones are affected when engaging in activities such as shopping and leisure or in our translation: 'social marker appropriation'. By the help of neuroimaging technologies it has been shown that not only drugs and alcohol are addictive, but also activities such as gambling, shopping and sex (Becker, 2008). The neurotransmitter dopamine is released in the brain when an individual experiences pleasure and a compulsive shopping disorder is characterized as a chronic and repetitive purchase of goods that is reinforced by the brains activation of the 'pleasure centre' (Black, 2007). It is perceivable

how the acquiring of goods and services for the sake of status can go out of hand and our insatiable desire to consume can replace the mechanism of 'appropriation for position' with the mechanism of 'appropriate-all'. The neurotransmitter serotonin is responsible for an individual's emotions and moods and thus their comfort and happiness (Frank 2011, p.42,). Easterlin (1974) found that at a given point in time an individual's subjective well-being was reported higher if income was higher (when higher income was necessary to meet basic needs), whilst the average well-being was recorded to be independent of the income rate. Stevenson and Wolfers (2013) also find that income and subjective well-being are linear-log, therefore well-being does not decrease when income rises, nor does it increase beyond a specific income threshold, the increases (if any) in subjective well-being were very small after this threshold. Rising income was directly associated with higher well-being if this income was needed to meet basic needs.

Frank illustrates how our 'local rank' is undeniably a factor responsible for our serotonin levels. Prozac (anti-depressant drug) increases the levels of serotonin in the brain and therefore compensates for sadness and a feeling of low status. A study in 2005 illustrates how the level of testosterone in chacma baboons is responsible for their aggressiveness, manliness and ultimately dominance and status (Beehner, Bergman, Cheney, Seyfarth & Whitten, 2005), this can serve to explain the proximate causes of specific evolutionary traits. An earlier study similarly supports the relevance of high testosterone to dominance, aggression and high status-seeking in men (Mazur & Booth, 1997). The dominant behaviour can be of a non-aggressive form, or antisocial type (rebellion). The study also provides insightful data on how the level of testosterone rises when the individual is about to enter a competition or confrontation, further the level rises even more when the individual defeats in the competition, but testosterone falls when they become defeated. Low status is therefore reflected with low testosterone levels and a high societal position is symptomatic of high testosterone levels.

Hence our mind, our cognitive and conative processes have been formed by natural and sexual selection. An aspiration for high status appears to be evolutionary established governed by a natural selection of traits, which systematically pick out the most 'fitting' attributes for survival. Sexual selection codes for those qualities that enhance an individual's *fitness*² and therefore through the process of natural selection theses characteristics are genetically stored and passed down to the offspring. Hormones and neurotransmitters are in the end responsible for securing favourable traits and conducts, by influencing our body and brain to activate our genetically predetermined canons of human motivation. Eventually, societal progress leads our innate drives to adapt and express themselves via status quo models. If thousands of years ago it was males hunting skills that brought him dominance within a group today a more actual activity for emitting supremacy in the Western society is made feasible through consumerism.

3.2 Point of Consumerism:

"Spending money you don't have for things you don't need to impress people you don't like" (W.Slezak, 1957)

A quote by a renowned Austrian-born actor Walter Slezak is synonymous with the American idiom "keeping up with the Joneses" and has a fair amount to say about today's society. Consumerism has inflated and added an insatiable magnitude to the essence of 'Social Markers' that exist today. A consumer society is one in which leisure time is synonymous with spending on travel, entertainment and shopping. It is further believed that commodities will bring happiness (Payne 2010). The effect of media, marketing and **advertisement** on the individual is sometimes underrated, although a social awareness exists and there is a constant growing interest concerning the implications of this topic. Beginning as early as 1913 there is evidence of a social understating in this trouble: 'Measured by the amount of expenditure, advertising has become one of the largest and economically most important human industries' (Munsterberg 1913, p.259). What can we expect today, after more than 100 years has passed?

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 $^{^{\}rm 2}$ Fitness is here mentioned in evolutionary terms.

Today, advertisements are effectively designed and shown on TV on a particular channel and time of the day so as to successfully target a specific audience. The growth and development of advertisement has been the most substantial in the last decade, its source is most observable in magazines, newspapers, television, billboards and leaflets (Nayaradou 2002). The average American sees 600 advertisements in a day (Media matters, 2007) and spends 2-9 years of their entire existence gazing at commercials (Herr 2007). Advertisements not only display a product, however most commercials impose the product on their audience by influencing the human mind and insisting that this product or service will make their lives better, higher-quality and therefore happier. Advertisements stir emotions by creating associations between the product and a sensation, they appeal to the viewers imagination to positively evaluate the commodity through the help of words and images that relate to the natural senses of taste, smell, touch and sight (Golan & Zaidner, 2008).

An association with prestige is attributed to the product so as to make it more desirable; this bond is made to exist in advertisements even where it doesn't in reality (Colarelli and Dettman 2003). This comes to show how our status-seeking desires can be reflected in consumerism. Powerful advertisements are today largely oriented towards triggering our evolutionary primary effective reactions (Vyncke, Ibáñez and Hartmann, 2009). This means that they attempt to better target the customer by creating links with relevant attributes that appeal to us. Studies have supported the fact that our expenditures and preferred consumer products are explained and guided by our instinctive drives (Saad, 2007). For example, companies can create an ad depicting their product/service next to a barely dressed young and beautiful woman to grab a male's attention. Further, sex differences in the perception of ads attractiveness is confirmed by Poels, Dewitte and Vyncke (2005), wherein males prefer to see young women, whereas females are more engaged by the presence of men and babies on advertisements. The existence of sex differences in advertising perceptions is therefore used to develop an ad in such a way that would best target the audience and compel them to buy the product/service in order to become more sexually and reproductively attractive and gain higher status.

Subliminal advertisements are understood to be a use of propaganda and techniques that targets the unconscious part of our brain in order to achieve a deceptive motive. They are presumed to be more effective than ordinary advertisement since they are directed at the unconscious mind, which cannot be willingly controlled by the individual (Subliminal Seduction, 1973). Examples include the Coca Cola ad, LG logo, Vaio logo, Toblerone logo; all these designs are considered to depict 'hidden' motifs that are not noticeable to our conscious gaze at first glance. However there is little supporting evidence for this theory to claim its legitimacy and really consider subliminal advertisement seriously, but when learning of the ways in which advertisements can target our primary affective reactions to appeal to our evolutionary formed drives, we can see a path for subliminal ads and to a certain extend understand how these would function too.

The Apple Company supposedly does not have a marketing research department, or at least they do not believe in making extensive user research through focus groups and surveys because Steve Jobs claimed that the consumer does not know really what they want. The ingenious design and function of Apple products is not based on consumer preference, it is made to become a necessity and a highly desired product (Folkman, 2013, p.37). Therefore we can see how leading companies in the world of consumerism do not always directly attempt to fool the customer with a completely futile product, they strive to create the new necessity, a status symbol that would escalate the owner's worth and value. Frank (2011, p.34) presents to us John Kenneth Galbraith's revised portrayal of the market. Galbraith illustrates how the biggest corporations use billions to promote a product that is practical for profit-making, rather than an actual reflection of the consumers preference. However there are cases which illustrate a market failure when such a technique is employed, an example is Microsoft's failed attempt at market penetration with a smartphone Kin targeted at the youth which was 'pulled from the shelves just forty-five days later because of abysmal sales.' (Frank 2011, p.35).

What all these studies on consumption and advertisement show us is how our consumerist society takes advantage and operates only as a result of our instinctive human preferences. Hopcroft (2006) finds that throughout different cultures a male's reproductive success is linked to his status and financial security. Dating and mate selection can therefore be studied as a case of consumer behaviour and marketing (Bernard and Adelman, 1990). Males and females alike can use a combination of different consumer products and pursuits to signal specific information about themselves. Bernard et al. (1991) conducted a study in which they related mate selection to self-presentation and possessions as status symbols. What they found was that due to the already established notion that mate selection seeks to evolutionarily compel us to pick out the healthiest and most reliable partner for mating and to boost the proportion of our genetic material in future generations, the modern world considers consumption, both consciously and unconsciously, to increase a individual's desirability, through attempting to increase social position. The study reveals that women favour more stable, masculine, educated and older men with an interest in leisure activities, thus an obvious prevalence of notions of status and wealth are present. Men on the other hand preferred young and active women that were physically healthy.

Following on from this discussion, **Social media** sites are in a way contributing to the continuity and preservation of consumerism and the display of status-makers. Instagram, Facebook, Twitter and fashion blogs are to an increasing extent functioning as systems of self-advertisements. The user posts mostly filtered photos of themselves, images and information on social markers such as leisure activities, expensive items and possessions, places abroad (tourism), charitable activities and their hobbies. Basically, those details of their life that make them appreciably more attractive when put through an analysis of Veblen or Frank's leisure theory. The number of likes, friends and followers is revealing of the degree of the user's popularity and admiration. On entering the profile of an Instagram user with 10k followers is compelling, 500k communicates a status of a local celebrity and someone with 30,1m like Beyoncé can legitimately be achieved only by a top-celebrity. The obsession

with social sites is a yearning for honour and acclaim. Veblen's theory on the leisure class presents a clear parallel with posts on social websites. The 'superstar phenomenon' reflects how the peak of the pyramid accumulates the majority of wealth and capital, while the majority of citizens earn a steady, unchanging salary over their lives. This comes to reflect how the majority are often led in their preferences and considerations about what is beautiful and expensive by the higher class. What implication this has on our overall self-perception and well-being is a topic not left without consideration. As our financial income increases, there is no evidence to acclaim that our personal feeling of happiness and well-being increases proportionally. Rather, studies and surveys are increasingly showing that if material wealth interferes with our social and personal lives it will result in an overall *net negative payoff* (de Angelis 2004).

Consumerism and Human Values

Tim Kasser, the author of the *High Price of Materialism* and a psychologist himself claims the fact that according to research and findings, an individual who has **consumerist values** is said to have a worse mental and physical health. In an interview at Schumacher College he said the following:

When I was a young graduate I stumbled across the finding that individuals who focus their lives more around things like money and image and status, which are of course the core values that consumer capitalism needs people to believe in in order for the system to keep working, people who care about those materialistic values were reporting lower personal well being. They were more depressed, more anxious, they were less satisfied with their lives. They were reporting more headaches and stomach aches and drinking more alcohol, smoking more cigarettes, etc. (Kasser, 2010)

The consumerist behaviour that is so evident in the modern day in the West was noted to have undesirable effects on human beings, with noted rates of increasing depression and reports of less happiness. Kasser further mentions how their findings demonstrate that materialistic people exhibit an anti-social type of behaviour, they tend to be uncooperative, due to competition and a behaviour that is directed towards their own self-interest. This egocentrism can explain why people undertake activities that are environmentally destructive which in turn bring a challenge to social unity. A person that is labelled a consumer is different to a person labelled a citizen. A consumer

thinks in terms of purchase whilst a citizen thinks in terms of their role in the community rather than 'what is the next thing I want to buy?'. There is evidently a difference in perception, the consumer is self-centred, while the citizen is community-centred, this distinction is the source of a changed attitude that is present in the individual, they act differently.

Consumerism dictates the rules, according to which we must live our lives, "Christianity tells us how to live our lives, fascism tells us how to live our lives..." (Kasser 2010), it is thus not a new phenomenon, it is an ancient mechanism but with modernized instructions. Kasser (2002) distinguishes between extrinsic goals and intrinsic ones, which is similar to positional and non-positional externalities that Frank (2011) explains. When an individual gives priority to accumulating and possessing material goods for statuses sake, they are recorded to reveal higher frequencies and levels of negative feelings and mental problems, than those who concentrate on intrinsic values of spiritual progress and social concerns. Associating consumer goods with unrealistic outcomes further fosters deeper emotional discontents.

Consumerism, Kasser predicts, may in the future also cause a loss of many skills, although specialization might be considered beneficial for the community, it can be damaging if it goes too far. For example, by hiring people to do something that could be done through self-sufficiency skills can be viewed as a waste of resources. Frank contributes to the topic of specialization by claiming a more profound system of industrialization; in which every worker has specific unchanging day-to-day tasks could limit the overall job variety at work.

In Maslow's hierarchy of human needs (appendix 1), there is a clear demonstration that physiological, safety; belongingness and love must be satisfied before we pursue our esteem needs of competency and recognition. Our salary is no doubt representative of competency; social markers and status items perform to deepen our perceived recognition. When Tim Kasser claims that people who are materialists display feeble physical and mental health, Maslow's pyramid of human needs can be used to support his arguments. If an individual focuses on esteem needs that are located at the fourth level of the pyramid and attempts to pursue them before sufficiently fulfilling the three

levels below are satisfied, this will inevitably create a disruption of a healthy human being.

Ultimately, by placing our value and faith into consumer goods to deliver us a desired expectation for higher status has outcomes that our not always desirable for our physical and mental satisfaction. On the other hand, religion and traditional cultures both have a set of norms that operate as unwritten rules. Religious diversity compared to religious freedom according to Pew Research Centre (2009) are two different things and it should be noted that religious freedom is the highest in Brazil, Japan, the United States and lowest in India, China, Indonesia, Egypt and Iran (appendix 2), these nations are associated with individualistic cultures. A culture may have individualistic tendencies and certain expectations that entitle individuals to partake in actions that show dominance, but there are cultural norms and beliefs that can also often act to hinder such activity and look to more spiritual matters of intrinsic growth. Cultural differences, no doubt, function to either stifle or promote consumption for status, as we will see in the following section.

3.3 Culture

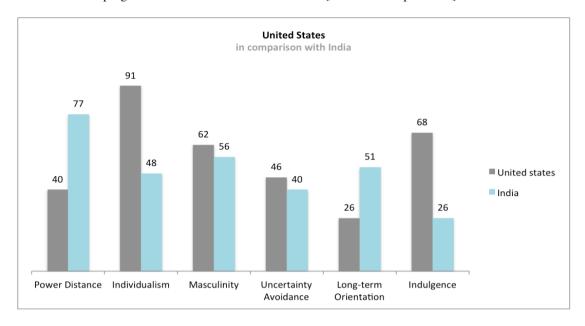
Hofstede's six dimensions of national culture can explain the reason that the United States has one of the highest and India has one of the lowest religious freedoms. The denotation of each cultural dimension can be found in the appendices (appendix 3), since their nature is not of prime significance to the substantial contribution to this thesis. Essentially, table 2 below illustrates a comparison of these features between the respective countries. India's lower scores in power distance (40), individualism (48), indulgence (26) and high score in long-term orientation (78) all indicate a collectivistic set of priorities and strong ties to a community-oriented attitude and a traditional way of perceiving and behaving, therefore social hostilities and government restrictions are very high in the direction of new and not traditionally established religions. Indians accept the fact that inequality exists in their class system and expect that their leaders will direct and reward them for their honesty. The Indian culture does not indulge much in leisure time, as opposed

to the US and they further practice wide control over their impulses. Their long-term orientation can be supported through their notion of 'karma'. On the other hand, their predominant religion Hinduism fosters individual's to take personal responsibilities over their lives, but collectivistic aspects to belong to an in-group are most evident in the workplace.

The United States displays a high individualism (91), indulgence (68), fairly high uncertainty avoidance (46) and low power distance (40) and longterm orientation (26). Now, in establishing some cultural and religious dimensions of the Eastern and Western societies and looking at how the West is consumer oriented to a considerably greater extent that the East, we can arrive at another speculation why this is the case. In the individualistic West, people care more for themselves and their families instead of belonging to an 'in-group' as in collectivistic India. As documented by the World Bank, the household final consumption expenditure is higher in the United States than in India (68.0 vs. 59.2 in 2013, % in GDP), the numbers represent the value of total goods and services purchased by households. When looking at previous years, an evident growth in consumption is prominent in the Indian economy, whilst the luxury boom of the United States reached its peak in the previous decade and remains steady today. The organisational hierarchy that exists in a corporation in the US is representational of a class structure, although the indulgence dimension indicates that the boundaries are not as rigidly set as in India's caste system. Therefore consumerism is well suited into such a social hierarchy in which people can more easily ascend the social scale since consumerism offers a method for this movement, that is, through purchase of 'social markers'. However the strong economic growth rate in India and increasing foreign direct investment as reported by the World Bank prepares the economy for increasing consumerism and a threat to traditional values.

Table 2:

Retrieved from: Geert-hofstede.com, (2015). *United States – India -Geert Hofstede*. [online] Available at: http://geert-hofstede.com/united-states.html [Accessed 8 April 2015].



The case of the masculinity index is virtually the same in both countries but slightly higher in the US (62) than India (56). A high score means that the culture is competition and success-driven with a vivid social pressure that success means being the best. A low score, called a feminine culture is suggestive of the importance of caring for others, having good living standards and success is not synonymous to 'best'. India displays a fairly high level in the masculinity index this signifies that the Indian culture is a masculine society, meaning that Indians, like Americans although a fairly less so, are undeniably interested in showing their dominance and power, through displaying visible material symbols of prosperity. On the other hand, the ancient highly religious nature of the culture often compels this masculinity from developing too far.

Therefore cultural difference, societal norms can also play to determine the degree to which a particular culture or nation places import onto status symbols and consumption. The mentioned examples illustrate two significantly different nations wherein consumption and status is a significant part of both cultures. Collectively low masculinity, power distance, individualism and indulgence would be characteristic of a country that places no preference for demonstrating high status and engaging in excessive consumption. However a

high power distance in a culture holds that individuals are unequal; therefore a desire to amplify one's perceived power will unavoidably be a common practice in cases of low power distance cultures in which the individuals do not accept inequality, but also in cases of high scores, wherein it is essential to reveal this superiority. Individualism, being the degree of independence within a society means relying on one's own strength and direct family rather than on the community, high scores thus act to promote selfish motives that are harmful and inconsiderate of the environment. Success and competition, inspire a masculine culture, members of this type of nation will work for income, so as to be able to prove their affluence through consumption and earn a reputation. As a result of the analysis, we can witness how Hofstede's cultural dimensions can plausibly work to describe and explicate what type of cultures promote and which ones discourage consumption for prestige.

Therefore we see how that not only biological evolutionary theories are valuable in explaining the consumptive patterns in the Western society, but cultural dimensions of a nation are also worthy of our attention, since they explain societal norms, behavioural patterns and attitudes. This section therefore brings added value to our discussion by demonstrating that our desire for status and wealth accumulation is not merely a biological issue, but a social and cultural one too.

Part 4: What's next?

Changes in individuals' behavioural patterns over the recent few decades such as an increasing popularity of playing sports, attending the gym, shopping and pursuing other hobbies and leisure activities reflect a modern western lifestyle. This way of life is radically different from what it used to be 100 years ago when Veblen created his theories. Veblen's specifications of leisure activities can ostensibly be described as today's essential requirements. Higher education, sports and hobbies, manners and artistic pursuits are no longer a rarity in the Western world. By being taught to pursue our wishes, we automatically consider it a standard to do so. In the contemporary environment the rising incomes and inequalities, increasing household expenditures and decreasing savings can all point to an unusual circumstance, that is, a pronounced inclination for consumption and leisure for personal satisfaction and prestige over community and social values.

4.1: Do we buy happiness through status?

Following through from the previous section, I'd like to comment on the notion of whether there is some truth to views and notions that tell us that higher status will make us happy. As already mentioned Easterlin (1974) had claimed that an individual's subjective well being, in other words – happiness – was directly correlated with rising income, but only to a certain extent. He himself mentioned that well-being and income are not perfectly proportional and that past a certain point the two variables (income and well-being) do not show any significant relationship. A bigger house, better car and an accumulation of fashion and technological products will make our lives better and brighter is what marketing aims to tell us. An on-going debate on the topic of marketing asks whether advertisements function to provide for and satisfy our desires or on the other hand does marketing operate to create desires and wishes, which have previously been non-existent in our conscious mind?

Money can't buy you love, is a well-known proverb that is extremely relevant to our consumerist society and which points to our inborn values as human beings that are unattainable simply through financial resources. A direct response from an individual with obvious material values is evident in

an anonymous quote: those who say that that money can't buy happiness just don't know where to shop. The quote is said to be anonymous, although sometimes credits are given to an American writer Gertrude Stein, however there is no evidence that claim that she in fact had said it. The nature of the second quote is such that would imply an immoral and unethical way of thinking in life that would be under normal circumstances today frowned upon. Zygmunt Bauman (2000) portrays a persuasive theory illustrating reasons and explanations to why shopping is such a popular activity today. Bauman believes that our roles and identities used to be stable, the further into the past we go, the more stable were our societal identities. Today however, due to the fast-pace type of lifestyle we are all enjoying with prospering economic growth and development our predefined roles are virtually non-existent. We engage in identity searching and identity-fulfilling as a commercial activity and we end up 'shopping' for our individuality. Bauman distinguishes between producers who are normative and consumers who are not lead by some norms but their behaviour is mentored by a wish or a desire. Therefore the constantly changing form of desire coupled with today's great advances and upgrades in products, fashion and technology go to create a state of anxiety for an individual living in the era of great progress. People's uncertainty calls for a huge demand for something that would diminish this unpredictability, shopping for status works, says Bauman, to ease our anxiety, but only for a short while. This will however not create a permanent state or norm in which the individual is satisfied, but only an affluent momentum in time. Shopping is seen as a rite to ease anxiety.

A conservative would argue that there are still some common human values that we share and that go to protect our social and moral selves. We all still want to have a family, children and things that represent stability. Although even his aspect of our lives has become less predictable, the divorce rate has experienced a steady rise since the 1970's and marriage rates have declined since the 1950's (Osborne 1991). Up to 40 – 50% of married couples in the United States end up in divorce (American Psychological Association, 2015). It seems people are unwilling to commitment, and the mood of anxiety is

perceivable in the family too. Perhaps the instability that is a consequence of technological progress and the market economy that offers great choice in all domains of social life has also an impact on core traditional values. Media is influential in telling us who is the desirable partner. Consumerism does not contribute to a strengthening of a collectivistic spirit; it does not create a sense of stability. On the other hand, Bauman would agree that consumerism manufactures new products to create new desires. We humans have to be adequate, that means being 'ever ready' to accept and desire what an opportunity offers us, therefore what marketing presents to us. It is more difficult to satisfy our need for having a family today than before.

An interesting observation that J. Bentham proposed is his how we moved from an earlier 'panopticon' society into today's Western 'synopticon' civilization. When applying this to today, we can see that celebrities are the focus point of the many and today they are the closest to defining some standard that the average people look up to. The consequence of such a transformation is infinite fluency and movement that will arguably never stabilize. In order to maintain a status of a popular celebrity, it is necessary to be a provocateur in order to grasp the attention of the public. Celebrities shift the limits of what is acceptable; create new trends and fashions that will become benchmarks for the upper and middle-class, since these are the audience who can allegedly mimic new trends. The poor cannot afford to buy CD's or attend their concerts, but they can still observe them and as Bauman states, they are the worst-off in this society. They are exposed to a constant comparison before their eyes, which will increase their suffering of being poor.

The drive for product upgrade and change is narrowing, goods are made to soon be replaced at ever-shorter intervals, and businesses do this to stay profitable. By creating a product that can endure long functionality, the company is creating a loss on returns rather than creating needs and later catering to the client's new desire. Upgrade, replacement and novelty are facets of many fashion, technology, automobile and food industries. New packages, new flavours, functions, colours and smells are constantly being developed just

to retain the consumer's attention, and not let them settle and become satisfied with what they already have.

Despite all the waste and squander of consumerism that I mention in the previous parts of the thesis, concerns for sustainability are on alert. The building of windmills, dams and solar panels, development of electric cars and ecological homes, eating ecological foods and emerging architectural projects for sustainable urban environments could shed us at least some hope for a brighter future. But still it is becoming quite evident that people are dissatisfied with the current state of affairs in consumption and may be taking measures to somehow limit their expenditure on unneeded items by focusing on sports and healthy food. Authors are actively exploring the future and what should follow from this, for example, Richard Payne (2010) suggests Buddhism and it's practices as an answer to patterns of overconsumption in the Western societies, through reducing suffering by concentrating on intrinsic values Buddhism teaches. Another way to limit consumption and therefore induce ecologically friendly behaviour would be the introduction of a consumption tax seen as a fee on the restriction of pollution. Just as the firms that see the pollution fee as too costly take measures to reduce their pollution, so too the individuals for who the consumption tax would be too expensive to pay out in the current level of spending, would limit their consumption, thereby increasing savings, Milton Friedman was a supporter of the consumption tax and agreed that a first-step initiative would be the consumption surtax, proposed by Laurence Seidman (Frank, 2011 p.98).

Are all these issues that constitute a 'green world' evidence of a favourable change in perception and show how people are becoming more considerate of the planet or are they just another strategy to 'renewably' meet the consumptive behaviour as an end? Personally I am optimistic about ecological projects and innovations that nurture a sustainability of natural resources and give prime concern to building a stimulating economy infrastructure. The current state of affairs however sees no urgency for a renewable transformation of the society. So long as we retain an ecological balance by avoiding an exhaustion of natural resources, technological

innovations that sustain our environment won't immediately make a top priority.

Part 5: Discussion & Evaluation

Taxing activities that are indirectly harmful for the environment rather than activities that have direct benefit for the community, that is payroll tax and income tax would generate greater and more efficient revenue for the government and in its turn would eliminate the cost of harmful activities. Status markers themselves represent inequality; and the social stratification system allegedly serves to alleviate the status-seeking mechanism.

In unregulated markets, as we have seen the positional goods usually outweigh the non-positional goods, causing an imbalance that is manifested in utter squander, that is, unnecessarily big houses and risky jobs. *We have too much positional consumption and not enough non-positional consumption* (Frank, 2011 p.88). This is therefore the place where the government could step in.

However, the inevitability of the government itself calls for the need of a good quality government, countries that rank the lowest on the CPI (corruption perception index) are also the poorest nations of the world, examples include Somalia, Myanmar and Afghanistan, on the other hand the highest-ranking countries are Finland, New Zealand, Denmark, Singapore and Iceland. The least corrupt countries are also the richest in our economy.

A countries corruption index is also in some degree representative of the type of social markers that are present and circulating in the economy. The status symbols found in Somalia, Haiti and Uzbekistan should naturally be distinct from those present in Canada, Switzerland or Norway. A government that is honest and law-abiding functions to support activities that would increase the national GDI, having implications for the social markers of consumption. However the relation between the CPI and per capita income is faulty, claims Frank (2011). The United states has a high per capita income relative to CPI, the citizens, although rich and wealthy, are nevertheless sceptical of the government and act unsupportive of any activities. Trusting citizens authenticate honest governments. The problem with governments is how to decide on what public goods and services should be offered, how to raise funds and how to employ competent civil servants.

Further, today consumer goods are not only considered to symbolize higher relative position. Personal preferences and tastes in consumer products also play a role (Bovone and Crane, 2006) to express one's individuality, this is especially evident in the fashion industry, less so but still relevant is the automobile industry. The great variety of products, goods and services in all domains of our economy do not have to exclusively function as positional or non-positional, they can also reflect personal values and preferences. Therefore more extensive research that would be necessary determine to what extent consumerism reflects an activity for emulation and wealth demonstration and to what degree does it serve as self-expression.

Another point for the thesis evaluation is that there is an overall limited interest into researching consumer goods (Zakin and McGuire, 2004), that's why more insightful and accurate findings on how and which exactly goods are appropriated for reputability is lacking. Nevertheless overall generalizations and conclusions can be made, seeing that the recent rise on luxurious spending and demonstration has sky-rocketed in the past two decades together with income rates for society's top elite. Further research in consumer behaviour and evolutionary psychology could seek to determine to what extent a status good elevates repute, and how does one status-symbol's success compare to that of another. Also it is interesting to study the differences in distinct conscious or unconscious motives that each individual seeks when spending on a product or service. Whether the intention to magnify one's desirability, respect, masculinity, femininity, intelligence, uniqueness, attractiveness, prosperity or other specific traits reflects somehow in our consumer choice.

On the other hand, by looking into our consumerist society we have found that evolutionary psychology might serve to provide some explanations to the current expenditure patterns. We consume because we want to secure our survival, we believe that by displaying certain symbols of wealth we will have a greater chance of acquiring our desired mate and therefore passing down our genetic material to our offspring (this is one of our ultimate human motivations). Different social norms in different cultures are established to dictate accepted modes of conduct that help to navigate between others' social

positions and also demonstrate one's own position. Hofstede's cultural dimensions differentiate cultural characteristics and aid to identify which features are responsible for status and consumption (power distance, masculinity index and individualism index all play a role). One way of looking at our consumerist society can therefore be to view it as a framework or mechanism, which operates to differentiate between social positions, but also creates standards in taste and spending through media and advertisements.

Veblen's theories of pecuniary emulation and conspicuous leisure and consumption are therefore still applicable today and can be traced in our consumerist society. Veblen has established ideas that explain our desire for superiority in terms of our human nature and these theories will continue to be relevant so long as society retains a class structure. Frank's more contemporary description of the consumerist society in terms of positional externalities, waste and misallocation of resources demonstrate that our society is not operating efficiently. Therefore the government's role to create taxes on harmful activities and to tax the household consumption could be considered a way of changing the perception on consumerism. By shifting the focus from media and advertisements that exploit our desire for status and create faulty connections between their service and prestige, we should focus on technology, infrastructure and innovation. We should strive for equality and sophistication that would develop the human race in absolute terms rather than relatively heightening an individual's social position.

Part 6: Conclusion

By looking in detail into Thorstein Veblen's and Robert Frank's views on the perceptions of consumption and financial accumulation for high social position and it's implications to society, we have come to see, how status-seeking is an innate yearning created through evolutionary mechanisms, catered to by a consumerist society that fabricates consumer goods and services.

Analysis has shown that contemporary leaders in society are also leaders in financial means; this means that those who occupy the highest social rankings are often accompanied by highest pecuniary incomes and as a consequence set standards of fashion, house size, cars and generally on expenditures. The Western orientation toward positional and extrinsic goods and values tightens the capacity for a more efficient anchoring on intrinsic worth. A focus on intrinsic values and non-positional goods would bring greater benefit to our community in terms of economic welfare and infrastructure, as claimed by Frank.

This thesis has argued how evolutionary psychology and research into consumer behaviour explain how our genetic material that was passed down to us by our ancestors carries a predetermined set of behaviours and traits that code for survival and sexual selection motives. These motives are further responsible to be expressed in our human drives for high rank, prestige, distinction, monetary and resource accumulation. Consumable goods and consumerism itself are a process that enables us to attend to and reveal these drives. Various components of the consumerist society, such as advertisements and media have developed to better manage these genetically fixated impulses that reside in our spirit. These constituents not only manage but also can allegedly exercise control over our preferences through employing psychological strategies of presentation and depiction that appeal to our consumer choices. Religion asks believers to develop intrinsic values; Consumerism asks consumers to establish extrinsic standards because only they can generate intrinsic goals to appease our inborn stimulations for superiority, mating and survival. But anticipating that material goods and services will supply us with values that we don't intrinsically possess is a hope predestined for disaster.

Obvious implications that possessing distinct social markers has on our society is a certain degree of waste and misallocation of resources, and also inequality. Decreased feelings of subjective well-being and increased rates of depression that can directly be caused by our consumer society should not be underrated.

One solution proposed that could ostensibly solve some problems of consumerism and occasions for wasteful relative positions would be as proposed by Frank: to tax positional goods and harmful behaviours and the household consumption rather than taxing income and savings.

Finally, the 21st century is not an anomaly or an exception to evolutionary mechanisms. The most fundamental human concerns and problems are detectable in our day-to-day lives. Extensive waste and leisure services concentrated in the hands of upper classes are a long existent phenomenon still witnessed by our ancestors. It is crucial to understand that our planet is not boundless and certain indispensable limits to land, resources and water will at some point in time invalidate a consumerist society of squander.

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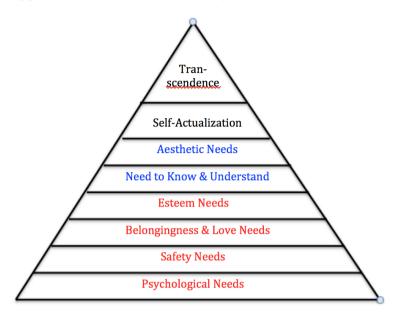
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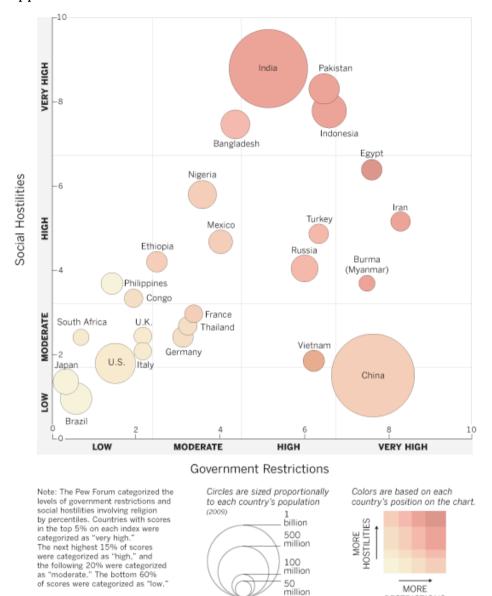
Appendices

Appendix 1: Maslow's Hierarchy of Needs



source: Huitt, W. (2007). *Educational Psychology Interactive: Maslow's hierarchy of needs*. [online] Edpsycinteractive.org. Available at: http://www.edpsycinteractive.org/topics/conation/maslow.html [Accessed 13 Apr. 2015].

Appendix 2:



Pew Forum on Religion & Public Life • Global Restrictions on Religion, December 2009

Source: Pew Forum on Religion and Public Life, (2009). Global Restrictions on Religion. Washington: Pew Research Center.

50 million

MORE RESTRICTIONS

Appendix 3:

Power Distance Index (PDI):

This dimension expresses the degree to which the less powerful members of a society accept and expect that power is distributed unequally. The fundamental issue here is how a society handles inequalities among people. People in societies exhibiting a large degree of power distance accept a hierarchical order in which everybody has a place and which needs no further justification. In societies with low power distance, people strive to equalise the distribution of power and demand justification for inequalities of power.

Individualism versus Collectivism (IDV):

The high side of this dimension, called individualism, can be defined as a preference for a loosely-knit social framework in which individuals are expected to take care of only themselves and their immediate families. Its opposite, collectivism, represents a preference for a tightly-knit framework in society in which individuals can expect their relatives or members of a particular in-group to look after them in exchange for unquestioning loyalty. A society's position on this dimension is reflected in whether people's self-image is defined in terms of "I" or "we."

Masculinity versus Femininity (MAS):

The masculinity side of this dimension represents a preference in society for achievement, heroism, assertiveness and material rewards for success. Society at large is more competitive. Its opposite, femininity, stands for a preference for cooperation, modesty, caring for the weak and quality of life. Society at large is more consensus-oriented. In the business context Masculinity versus Femininity is sometimes also related to as "tough versus gender" cultures.

Uncertainty Avoidance Index (UAI):

The uncertainty avoidance dimension expresses the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity. The fundamental issue here is how a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? Countries exhibiting strong UAI maintain rigid codes of belief and behaviour and are intolerant of unorthodox behaviour and ideas. Weak UAI societies maintain a more relaxed attitude in which practice counts more than principles.

Long Term Orientation versus Short Term Normative Orientation (LTO)*:

* also related to as PRA

Every society has to maintain some links with its own past while dealing with the challenges of the present and the future. Societies prioritize these two existential goals differently.

Societies who score low on this dimension, for example, prefer to maintain time-honoured traditions and norms while viewing societal change with suspicion. Those with a culture which scores high, on the other hand, take a more pragmatic approach: they encourage thrift and efforts in modern education as a way to prepare for the future.

In the business context this dimension is related to as "(short term) normative versus (long term) pragmatic" (PRA). In the academic environment the terminology Monumentalism versus Flexhumility is sometimes also used.

Indulgence versus Restraint (IND):

Indulgence stands for a society that allows relatively free gratification of basic and natural human drives related to enjoying life and having fun. Restraint stands for a society that suppresses gratification of needs and regulates it by means of strict social norms.

The information is directly extracted from Geert Hofstede's website available at: http://geert-hofstede.com/national-culture.html

Geert-hofstede.com, (2015). *Dimensions - Geert Hofstede*. [online] Available at: http://geert-hofstede.com/national-culture.html [Accessed 8 April 2015].